



LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL TERRITORY

STANDING COMMITTEE ON PUBLIC ACCOUNTS

(Reference: Appropriation Bill 2004-2005 (No 2))

Members:

MR R MULCAHY (The Chair)
DR D FOSKEY (The Deputy Chair)
MS K MACDONALD

CANBERRA

FRIDAY, 11 MARCH 2005

Secretary to the committee:
Ms S Mikac (Ph: 6205 0136)

By authority of the Legislative Assembly for the Australian Capital Territory

Submissions, answers to questions on notice and other documents relevant to this inquiry which have been authorised for publication by the committee may be obtained from the committee office of the Legislative Assembly (Ph: 6205 0127).

The committee met at 12.09 pm.

Appearances:

Ms Katy Gallagher, Minister for Education and Training, Minister for Children, Youth and Family Support, Minister for Women and Minister for Industrial Relations

Chief Minister's Department—

Ms Pam Davoren, Executive Director, Public Sector Management Group

Mr Warren Foster, Senior Manager, Employment Policy and Workplace Relations

Mr Lincoln Hawkins, Chief Executive, Asbestos Assessment Project Team

Department of Disability, Housing and Community Services—

Ms Lou Denley, Executive Director, Office for Children, Youth and Family Support

Ms Anne McGrath, Director, Client and Adult Services

Ms Bronwen Overton-Clarke, Executive Director, Policy and Organisational Governance

Mr Frank Duggan, Director, Care and Protection Group

Ms Sue Ash, Director, Training and Development Group

THE CHAIR: I formally welcome the Minister for Industrial Relations, officers from the ministry and others attending today's proceedings. For those who give verbal evidence to the committee, a copy of the transcript will be emailed to them as soon as it is available, for correction, and also so that they might identify questions that are taken on notice. Please return responses to questions on notice to the committee secretary within five working days of receiving the transcript.

Prior to your giving of evidence, I would like to inform each witness that you should understand that these hearings are legal proceedings of the Legislative Assembly, protected by parliamentary privilege. That gives you certain protections but also certain responsibilities. It means that you are protected from certain legal action, such as being sued for defamation, for what you say at this public hearing. It also means that you have a responsibility to tell the committee the truth. Giving false or misleading evidence will be treated by the Assembly as a serious matter.

I commence by inviting the minister, if she would like to, to say anything initially in relation to the matters before the committee, before we invite questions.

Ms Gallagher: Just briefly, I guess the major issue in the second appropriation bill is wages for public sector agreement outcomes and also some money for the asbestos task force, and I presume that is the area of interest for the committee. We are ready to answer questions and assist you with your deliberations but I do not have a long opening statement. I am happy just to proceed.

THE CHAIR: All right. Minister, an area of interest that I would like to focus on is the EBA. I have questions in a range of different agencies here and I am happy to take them in sequence or you may want to deal with them on a collective basis. They relate to salary and wage increases and the basis for the appropriations—in the case of the Legislative Assembly, just for clarification of the people to which the appropriation

applies. I am also interested particularly in productivity benefits that have been negotiated in recognition of salary increases. I do have that question in relation to a number of agencies, so it may be beneficial to start with that one, if you wish, and we can look at some of the other departments.

Ms Gallagher: So your question is: what productivity offsets have been negotiated?

THE CHAIR: Yes, as part of those arrangements that are—

Ms Gallagher: In terms of any loss of conditions or trade-off of conditions in lieu of increased salary outcomes, that was not a position the government took at the bargaining table.

THE CHAIR: Could I just clarify: my question was in terms of any productivity benefits that have been derived, not necessarily a trade-off in conditions.

Ms Gallagher: Okay. Usually productivity offsets mean a reduction in the employment conditions. I guess there are a couple where we have seen some benefit from the EBAs that we have negotiated. The number of agreements has been reduced from 59 when we came into government to 27, which means that there are not so many agency staff tied up doing the bargaining work. Warren Foster is here. He was in charge of the template negotiating agreement, which meant that it did free up different agencies from having to do that work.

We have seen exit rates from the public service in the ACT drop from 15 per cent before the first agreement to around nine per cent now. So we are certainly spending less money on advertising and recruiting staff because our wages are more competitive than they were before. And we believe we have a happier work force, one that feels that it is being remunerated for the work that it does, which we believe has some benefit for government. That is some of the areas we are seeing now.

We have had two agreements. We had one that went for 18 months and now we are in a three-year agreement. They are certainly some of the things we are seeing straightaway, but in terms of asking for increased productivity, I guess when people ask this question it is usually about what productivity offsets you get for the bargaining round, and that was not something the government sought.

THE CHAIR: So you have not sought any?

Ms Gallagher: No, we did not seek any reduction in conditions or loss of jobs. That is usually the way these are delivered, through EBAs, and that was very much because we have just got ourselves to a position now with conditions and remuneration. We have to be attractive with conditions because we cannot match the commonwealth's remuneration. Even after all these pay rises, we are below middle-ranking commonwealth agencies, and by the end of the agreement the ACT government will be—and I won't be saying this to the unions too loudly—right back down the bottom of commonwealth agency outcomes, and that is the reality for the ACT government. It is not something that other state governments really have to consider to the point that we do. Our pay rates are certainly not as high as the commonwealth's and we have to be attractive in other ways.

THE CHAIR: Obviously the private sector is also impacted upon as the third player in the town or in the territory. Have you expressed any views to the commonwealth about what I guess has been characterised as their pay-setting view in terms of wages increase for the ACT?

Ms Gallagher: I have not had a discussion with the federal government about their wage outcomes and, even if I had had a say, I do not think it would have had too much of an impact. What happens at those levels is that they are done at agency-by-agency level. Mr Foster might have an idea of how many agreements there are in the federal government. Basically, they get the best deal they can, and they vary. We have agencies in the commonwealth that are below ACT public sector pay rates at the moment.

We are mid-ranking now—Mr Foster can correct me if I am wrong—but, as I said in the parliament this year, the increases from the commonwealth have had an enormous impact in the ACT, and that has a massive impact on ACT bargaining, considering the size of our public service. The New South Wales government does not have to be as competitive as we have to be here, because we lose good staff to the commonwealth.

THE CHAIR: I think it is a real issue, and I do not disagree with you on this. Can I just ask a little further about the negotiating brief. Whilst I understand that the actual final negotiated position would have to go before cabinet and be approved and that is a cabinet matter, given that productivity offsets were not part of the government instruction for your negotiators, in terms of your instruction as minister for the people in the Chief Minister's Department, what sorts of parameters are you setting for them in terms of outcomes? How do you tackle that to ensure that the taxpayers in the collective interests take priority? Obviously the employees of the government are the ones who stand to benefit from the income.

Ms Gallagher: I should point out that in terms of my role I only have responsibility for the template negotiations. The nurses agreement and things like that stay with the relevant portfolio minister. In terms of the template agreement, we provide to the Chief Minister's Department in this case, and have discussions with them about, what is possible in terms of improvements to conditions. So I guess we set the scene with things that the government is prepared to negotiate around in terms of conditions, and we certainly provide them with the quantum that cabinet has agreed to, and then it is left to CMD to determine how that offer is put.

It is a bit of a game, as you know. The unions have their ambit, we have what we see as the maximum offer, and you do not usually start at those points. I have tried—and it hasn't worked all the time—to stay out of the direct negotiations with the unions. That was the way we conducted ourselves. The bargaining unit understood the parameters the government had set in terms of a quantum and conditions. CMD did all the bargaining with the centralised bargaining unit. If there was no agreement reached, or it was a real sticking point, it would be at that point that I would have discussions with CMD and we would look at how we would negotiate our way through. So we do set the scene for the bargaining.

THE CHAIR: Given our appropriations have asked for more than was budgeted for, does that mean that the unit exceeded the amount that you provided for them to agree to?

Ms Gallagher: No, not at all. The amount that we have come back with in the second appropriation was because there were outstanding agreements at the time that the budget was put to bed. It was an estimate of what we thought at that stage, and that is what provision was made for. As it turned out, resolution of those agreements came with additional cost. So not in any way would CMD exceed the parameters set by government. If the original quantum that had been agreed by cabinet was not acceptable to the parties to the agreement, it was my job to take it back through cabinet and argue the reasons I should be asking for more.

THE CHAIR: I will come to my other colleagues in a minute, but I have one last question at this stage on that. In terms of them improving on the upper limits, I cannot help but wonder what incentives are in place for them to do that, and have they achieved better outcomes than maybe they could have allocated from the taxpayers' point of view?

Ms Gallagher: From the bargaining unit?

THE CHAIR: Yes.

Ms Gallagher: I guess it would be useful also to point out the amount of concessions that the bargaining team got from the unions. That is where the other side of the debate is. Cabinet did not agree to the final quantum being something that we could not afford and that had not come with concessions around the bargaining table. You only have to look at the union's log of claims, as ambit as it is, to understand some of that.

There were some sticking points around AWAs and conditions. There was a lot of negotiation about how that condition could work for the government and be acceptable to the other parties to the agreement. But there were trade-offs on both sides. It was our desire to have resolution of the agreements as soon as possible and, to CMD's credit, they kept the clerical bargaining to 13 per cent over three years. That is not anywhere near some of the increases we are seeing in the commonwealth public service.

We thought five per cent, four per cent, four per cent was a reasonable outcome, considering the pressures that we were being placed under in terms of remaining competitive in this environment and having the quality public service staff that we would like, and certainly addressing the shortfall that the public service was under from the round before we took government, where they received five per cent over three years. That was another government's decision, but what it did was put us right off the table in terms of being competitive. This government has a very strong agenda of social policy and expectation on government agencies, and in order to deliver that agenda we need to have appropriately paid staff, and in order to do that we have to attract them here and keep them here.

THE CHAIR: I will leave it at that point. I might come back to some of those later. Dr Foskey, do you have some questions of the minister?

DR FOSKEY: I have perhaps more of a comment and it is something you might like to expand upon. The retiring Community Advocate was asked at the hearings just now what was the biggest challenge she saw for areas of her interest. It is that one about keeping expertise in the ACT public service, and she actually put that as number one.

Anecdotally, it is something that I have heard—that there is a drain from the community sector into the ACT public service and also a drain from the ACT public service to the commonwealth. It would seem to me that, when we talk about taxpayers' or residents' interests, on the one hand they have an interest in lowering the wages bill, I expect, but on the other they demand excellence of services. It seems to me that perhaps people out there are not as aware—they hear fusses about increased wage rises and so on—of what they are getting for that in terms of maintaining excellent staff and the services that they also demand. I just wondered if you could make a comment on that.

Ms Gallagher: I think so. I think Canberrans suffer from the perception Australia-wide of being fat cat public servants that enjoy tremendous conditions. The way I see it is that the public sector usually leads the way in terms of conditions, certainly at trying to be at the forefront of setting acceptable working conditions and pay, as much as we can afford it. Because we have a large work force—it is a large work force, about 18,000 staff—any increase does have significant budgetary implications. But, if you actually drill down to what people are being paid, they are not huge salaries at all.

A teacher, for example, with eight years work experience and a four-year degree will earn \$59,000 a year and be stopped at that level because there is no progression past it at the end of this agreement. That is a good wage, but it is not extravagant for the work that they do; the same with a nurse. A senior officer in the public service here earns about \$52,000. They are acceptable wages but they are not extravagant.

There are perceptions about public servants and what an easy life they have. That is not my experience, certainly with the ACT public service, because there are strong demands on them. They have to be a council and a state government as well in terms of national work—and as a government we expect a lot from them.

In relation to the community sector, I think there is an issue there. Community sector wages are terrible and in fact part of my role as industrial relations minister over the next term is to work a way through that—look at ways to make wages and conditions in the community sector more appropriate for the level of work that they have been asked to do. We have started that work already with establishing a community sector task force and working with community providers to work a way through what is quite a complicated area in terms of: how we make sure that wages and conditions in the community sector are enough to keep people in jobs that the government needs them to do. It is complicated but it is certainly my key focus in IR for the next couple of years.

MS MacDONALD: Minister, I note on pages 3 and 201 of the supplementary papers that \$95,000 has been appropriated for ACT WorkCover for its enterprise bargaining agreement. Can you, Ms Davoren or Mr Foster, talk about the negotiations and how that came about, because there has been a number of issues within ACT WorkCover with retention of staff, I understand? Is that correct?

Ms Gallagher: I think it has. I think WorkCover has gone through a period over the past year or so of restructure of how it manages its operations and that has come with the natural response from staff about where they fit within the organisation. My understanding is that that period of unsettlement has calmed down considerably and they are not seeing certainly any mass exodus of staff. That money in the wage negotiation is just to cover the costs of the finalisation of the EBA. From my meetings with the

commissioner, certainly on the HR side of WorkCover things are travelling a lot more smoothly.

THE CHAIR: Just on that, do you know what the annualised turnover figure is for employees in WorkCover?

Ms Gallagher: In WorkCover specifically, I could not answer that.

THE CHAIR: Maybe you could get back to us.

Ms Gallagher: We could certainly get back to you on that, yes.

THE CHAIR: I have found generally that turnover usually relates to morale. Interestingly enough, everything I have read in terms of human resources is that money is not necessarily always the motivator of people. If they are happy, they stay.

Ms Gallagher: That's right.

MS MacDONALD: That will come up in the annual reports as well, which the minister will be coming to speak to us about shortly. Maybe we should save it for then.

Ms Gallagher: That's all right. I am happy to take that on notice. It might prompt further questions at annual reports. I am sure there is no problem in getting that figure for the committee.

MS MacDONALD: I want to ask you about the asbestos task force. I do not know whether Mr Hawkins wishes to come to the table.

Ms Gallagher: Yes, he can come up. He is the man in the know. He needs a question first.

MS MacDONALD: Yes. Mr Hawkins, I would like to start by saying congratulations to you and to the task force for what seems to be a very effective campaign so far. I know that it is only in its infancy, considering that this came about in August last—it went through in the last sitting week of August last year—and you have had a very short amount of time to get a whole lot of stuff together, but I would be interested to know how the education program will be operating and what is involved with getting all of that together, because it is a fairly massive program to be undertaking.

Mr Hawkins: The asbestos task force was established on 29 November. The membership was announced on that date. There was some elapse of time, even following the legislation, with the election and the appointment of the membership. It is a small team. I am, in fact, a secondee from my normal role in the Chief Minister's Department, as are the other members of the group. The group has been established progressively since that time in November.

Members would realise that we have worked hard to provide information to all Assembly members and to provide opportunities for briefing, at least, around the material. I have brought along the series of four publications that are now available on the website, if you wish to pick those up. Next week, in fact, every household will receive the guide for

householders. This one, the 16-page brochure, will go to every household. It would be obvious to most observers, even to the members of the task force itself, that the 20 members of the task force, from disparate groups, have united in a very strong way behind the content and the strategy of education. I feel certain that, with such a sensitive and difficult topic, there are some challenging days ahead. People might have seen 45 seconds of Don Burke on the TV, but once they have read 16 pages they will have a bunch of other questions to ask.

This is not an issue that is simply resolved over one phone call. It affects homes and households. Asbestos is an issue, a topic, a very word that generates potential concern for individuals. As soon as we say, as we have, that three out of four homes may have asbestos products, there is an issue. Initially, we seek to provide reassurance and then open the door to good management practice. Those are some initial observations.

Your comments actually lead into what is the approach to ongoing education. Frankly, there will be 12 months of ongoing embedding of good practice. The territory having embarked on groundbreaking legislation, there is in a sense no retreat. We do need to evaluate experience so that we can modify, where appropriate, the system. If that means even the legislation is part of the task force report, the task force is open to consider those things. But we are at the moment targeting direct face-to-face briefings for the at-risk groups. That means that the building and real estate industries are direct conveyors of this information. We need more time with the people involved in that system so that they can feel confident and positive about their role in communicating. We will be doing that intensively over the next month, evaluating that experience and, where necessary, adjusting the strategy. But a bulk of the five-week television campaign will be completed by 4 April when the first phase of the laws takes effect.

MS MacDONALD: My compliments to you, Mr Hawkins, and your team. I know you have been working incredibly hard in a very short amount of time to get this up. I compliment the minister as well for his leadership in this area. Having spoken to Mr Bill Wood, I know that there was a great deal of leadership from the Fifth Assembly. There was a lot of discussion and debate about asbestos. We came out of that debate not knowing where it was going to take us.

Ms Gallagher: We still do not, Karin.

MS MacDONALD: Yes, I know. But I think a lot of good work is being done, so my compliments to you.

Ms Gallagher: Thank you.

THE CHAIR: I have something on asbestos. The legislation enjoyed certainly the support of the opposition and I thank the minister and Mr Purtill for the briefing that was arranged. It brought me up to speed on the history of this matter. But one issue that is emerging is that I seem to be fielding a number of calls from people who think that the recent legislation actually brought new and more severe impositions on people than previously existed. It is obviously an issue of communications. In fact, in the break, I have to do a media interview on this very issue.

That is always a problem when you run an awareness campaign. People get part of the

message and they get it wrong. I am not holding anyone to blame, but I just wanted to flag it as a bit of a challenge, that there seems to be some confusion about what people are expected to do now. So that will be something for your media experts.

I am not a person who is interested in line-by-line expenditure, but I note that there is \$200,000 for the education campaign as part of the \$1.4 million that has been appropriated for asbestos law reform. Can you give me an indication of the main ticket items under that allocation, what that will be mostly spent on?

MS MacDONALD: Sending out loads of pamphlets.

THE CHAIR: I am aware of some survey work. I think that the campaign is \$200,000, so the balance, I guess is the—

Ms Gallagher: A component is expenses. How many are there on your team, Mr Hawkins?

Mr Hawkins: It varies, almost week by week. It was a very small team to start with, but it is around eight or nine people at the moment. It will need to keep changing according to the demands of the project.

THE CHAIR: Minister, would that be about a third of the budget?

Ms Gallagher: Yes. It is about 40 per cent, 45 per cent.

Mr Hawkins: It is a little bit more than that. Frankly, where we find that it is more cost effective to have staff support issues like the future survey, rather than “consult” out some of that work, we will bring short-term staff in to do that work as part of a team as well.

Ms Gallagher: There is certainly the advertising campaign. There is a portion of the money for expert advice that is required to support the work of the task force. It comes with a cost. Mr Hawkins might be able to talk about this, where the whole set-up is for the asbestos task force to operate. So that is included in the money as well.

Mr Hawkins: I think the background to a project is like a piece of plasticine. You start with what you see to be the piece of work to be done and it does change shape as you are actually doing it. It needs to be responsive. So, even when the task force started in November, we had not carried out community attitudes research and that work, over December and January, significantly shifted our thinking and strategy around communications when we realised that only 10 per cent of people thought they had asbestos in their home. In order to deal with that ignorance gap, before you even approach education, it was clear we needed to spend more on the communication effort in the first phase. So we are spending, frankly, more than the \$200,000.

THE CHAIR: Do you know how much it would be up to?

Mr Hawkins: It would be around \$350,000.

THE CHAIR: Nearly double. When did you take the decision to double the budget?

Mr Hawkins: We did not double the budget. I do not know where the \$200,000 came from.

THE CHAIR: It came from the briefing I had a couple of weeks ago from the government.

Mr Hawkins: Okay. There was initial scoping—and I do not think \$200,000 was the figure; it may have been of the order of that—back in October-November. We carried out the community attitudes research over December and January. It was at that point that we engaged Grey Worldwide to conduct the communication strategy and it was in responding to the attitudes research that we targeted a specific communication strategy, which is the one you now see on TV and the publications.

That was responding, firstly, to the large ignorance, if you like, about possible location of asbestos and, secondly, that there was this potential for concern, even leading to panic, if you like, that people may feel that, once they have asbestos, it needs to be immediately removed. Very strongly part of our campaign now is the sleeping dogs message; that if it is in good condition, the most appropriate thing may be to leave it in place but know that it is there. That sort of second-level message needs a lot of work to get out to people. For efficiency, we have adjusted to put more into newspapers and take away the radio ad. We have adjusted the campaign strategies and we are going to monitor and evaluate how they work.

Ms Gallagher: I think part of the challenge with this, Chair, is the fact that when the legislation was introduced, there was no regulatory impact statement done. The costs to government were completely unknown. Part of the work that Mr Hawkins's team have been doing is in putting together a budget while they are actually doing the work. That element of unknown is a concern to all of us, particularly the minister, who has to go in and argue for money in cabinet.

The issues that Mr Hawkins talks about, which were particularly concerning coming out of the community attitude survey, were, firstly, that many people had no idea that they had asbestos in their homes. They had a high level of understanding that asbestos was dangerous or a view that all asbestos was dangerous and also a view that, if there was asbestos in your home, then it should be removed. Those, when you look at them, caused enough concern for us to have a really good look at how that communication strategy was put out. What we did not want to see, once the campaign was launched, was people ripping out asbestos, panicking. This issue has the potential to be massive.

THE CHAIR: Yes. That is why I alluded to the fact that I am getting calls from people who are obviously grabbing some other wrong messages.

Ms Gallagher: I would have liked the task force to have done the work and then the legislation to have come later.

THE CHAIR: Yes, that would have been the perfect world.

Ms Gallagher: That would have been perfect and that is, I guess, a bit of the issue with how we are moving forward. To be frank with you, this is not the extent of what will be

the funding for the asbestos task force.

THE CHAIR: Do you recall who conducted that research for you, the attitudinal research?

Mr Hawkins: Artcraft.

THE CHAIR: Is that something you are able to share with us at some point or let us see that information?

Ms Gallagher: I do not see why not.

Mr Hawkins: Yes, that is fine.

THE CHAIR: Just one last question on that. That still probably leaves about half a million in funding, by my quick guesstimate. The asbestos task force membership, are there any funds for the participants or for the chair?

Ms Gallagher: Yes. I think I signed off a question on notice to you earlier this month.

THE CHAIR: That is right. I did ask a question.

Ms Gallagher: The chair is paid \$35,000 per annum, plus any costs incurred, for example, travel or something.

THE CHAIR: Disbursements.

Ms Gallagher: Half of the task force are public servants or agency representatives. The others are stakeholder representatives. While we appreciate the input they are having, they are not paid.

THE CHAIR: I have a last question on broader IR. Just in relation to your ACT Health wage negotiations, what does the outcome of those negotiations do to relativities across the various professions between the ACT and other jurisdictions? Would you know that information?

Ms Gallagher: This is probably more Mr Foster's area. Other than for the clerical staff, I was not involved in the negotiations. I am not the minister for enterprise bargaining, thankfully, although some would like me to be. Certainly there was work done on the classifications for allied health professionals. Is that part of your question?

THE CHAIR: Yes. Really, it is to see where we now stand in relation to other states in terms of these professional people, whether we are going to be challenged with recruitment or loss of personnel. I am happy if you want to take it on notice.

Mr Foster: I can have a go. I do not know if it will take you as far as you want to go. Health has had a difficulty with its workplace professionals in terms of recruitment and retention because of market forces. We have pretty much needed to align ourselves to the New South Wales pay rates in the main for health to keep its staff. Other states, too, subsequently have tried to fall in line with New South Wales pay rates because they have

been the pacesetters and the market payers for their health professionals. So our pay rates are fairly closely aligned to what people get in New South Wales; even closely aligned, to some extent, to what people pay in Queanbeyan for some of their health professionals there, such as radiologists and radiographers and people like that. So that has been the market for us.

THE CHAIR: So, broadly in line with the nearest major market?

Mr Foster: Yes.

Ms Gallagher: They are certainly not the highest paid.

Mr Foster: No. We find, too, that some of the private players tend to pay more than the market rate, and they are the ones that pinch the staff, or poach the staff.

THE CHAIR: In terms of conditions, and I know this gets difficult because of the different types of professions and so on, but in terms of, say, shifts and the environment they are working in, which I also think are important factors in people's decisions, whether they want to work in our system or elsewhere, was there much regard or discussion on that in your negotiations or do you see them as fairly closely aligned with other opportunities interstate?

Mr Foster: I cannot answer that, Mr Chair. I was not involved in the negotiations at that level.

THE CHAIR: Has the minister got anything to say on that?

Ms Gallagher: I can talk about the nursing agreement, less about the health professionals. Shift conditions always come up on the bargaining table for negotiations in nursing and it was the subject of discussion at the negotiations. Again, you are probably better off asking the health minister, who was in charge of those negotiations, for the actual particulars of them. But, again, the nurses, like teachers, really have to align themselves, fit in with what is on offer in New South Wales. That really sets the basis of the negotiations.

It differs all the time because, as we finish bargaining, New South Wales probably commences bargaining, and so there is this constant moving. What we have tried to do is to move alongside. I do not think we are ahead in nursing, but we are trying to just keep competitive with them. I think the New South Wales government, before the last election, did this huge payment to nurses. I cannot remember what it was, but it considerably distorted the market there for a while. Again, that was the motivation of the negotiations. But, again, I believe the health minister could answer that.

THE CHAIR: I have no more questions. Dr Foskey or Ms MacDonald, do you have anything further on industrial relations matters?

MS MacDONALD: No.

THE CHAIR: All right. We will conclude these proceedings.

Ms Gallagher: Thank you, Chair.

Short adjournment.

THE CHAIR: We will resume proceedings and move to questions to the minister in her capacity as Minister for Children, Youth and Family Support. Again, I welcome advisers and witnesses in relation to matters under consideration. Minister, on page 154 of the appropriations material, it is noted that there is to be a review of the government college system. I am just wondering why that would not be a normal part of the business of the department, why you would need additional funds for something that, on the surface, would be routine.

Ms Gallagher: Mr Chair, we received a letter from you advising that education was not required to be present. I can answer that question for you, though. This was an election promise of the government, to have an independent look at the government college system. I am just finalising the terms of reference for that now, with the idea of inviting all colleges in the ACT. It is up to non-government schools to advise me whether they are prepared to participate in it.

In terms of some credibility for the year 11 and 12 system, which is so important in terms of young people's access to further education or training, I wanted an expert educationalist to come in from outside and look at how our college system operates. I think that will give a different perspective from that of staff who work within the department. It also gives some independence, so that there is some credibility there with the non-government schools as well, that it is not someone from the department snooping around their colleges having a look. That was the idea behind it.

Because those years are so critical, we need to have absolute trust in our year 11 and 12 system, that it is offering the best possible opportunities for children—for young people, actually; they are not children. The college system has not been looked at since it was established 30 years ago. It is the same system. I do not think this money is too extravagant in having a look at our colleges, positioning them for the future and certainly giving the government advice on where some changes may need to be made.

THE CHAIR: I should formally correct the record that I included your education hat. Our discussions are with you in your capacity as Minister for Children, Youth and Family Support.

Ms Gallagher: That is fine.

THE CHAIR: The difficulty with all those questions is that they are in relation to education. It is probably not appropriate to continue.

DR FOSKEY: I want to follow on with exactly that because it arises purely from what you said, minister. You say you are writing the terms of reference now.

Ms Gallagher: Yes.

DR FOSKEY: Is there any chance I can make a suggestion, which you can do what you like with?

Ms Gallagher: Yes. I am happy to provide you with the draft terms of reference. I have just ticked off on them. I had a round table with all the stakeholders in the college

year 11 and 12 system on my return from leave this year. There was a lot of interest in their all having a say about the draft terms of reference, too. So I am going to send them out. So they will be broadly accessible and we will take on board some ideas.

THE CHAIR: All right. We might get back onto the Office for Children, Youth and Family Support. Minister, I refer to the appropriation for the interstate transfer of young offenders—page 231 for anyone who likes a reference. Could you explain what the appropriation is needed for, why we are sending what appears to be juvenile offenders interstate?

Mr Gallagher: I will let an officer expand on it, but it is for the very small population of juvenile offenders that we have in the ACT who cannot, for one reason or another, be accommodated within our juvenile detention facility.

Mr Duggan: We transfer very small numbers of young people interstate where specialist programs that we cannot offer locally for their behaviour or their needs are available in the interstate juvenile justice facilities. We have a medium-security capacity at the moment in the Quamby Youth Detention Centre. Where a young person presents with high-risk behaviour or needs high-risk intervention around certain behaviours associated with the young person, we will enter into a protocol with the New South Wales department and arrange for an interstate transfer. Sometimes a court will just sentence a young person directly to an interstate institution. When they do that, we have to fund the placement.

THE CHAIR: Could you give us an idea of the numbers that might be involved?

Mr Duggan: It would be two or three a year, maximum.

THE CHAIR: Do the courts make these decisions directly?

Mr Duggan: The courts or us. The Magistrates Court has the power to make the direction. A magistrate may choose to automatically send a young person interstate. It could be based on behaviour. It may even be based on other matters. If we as an institution or as a department feel that that young person is posing a significant risk to himself and others, we will utilise that facility. But the numbers are very minimal against the actual volume of young people who come through the service.

THE CHAIR: I understand that it is small. To conclude my interest in this matter, the scenario would be possibly people who need a higher security facility on one hand.

Mr Duggan: Absolutely.

THE CHAIR: Would there be people who need some form of psychiatric support?

Mr Duggan: It could be some form of support. Maybe they have been convicted of a sexual offence and there are some specific programs interstate, or there may be therapeutic programs interstate that we have used before where, although the location is not suitable in the sense that they are out of their jurisdiction, the actual therapy available is of such a level that we would really consider it to be in the best interests of the child.

DR FOSKEY: Turning to the first dot point on page 230, the youth support accommodation service proposed, I have a series of questions. I can deliver them in a bundle or I can pull them apart, but they are interconnected. Maybe I can put them as a bundle and then you can ask me to pull them apart, if that is better. At whom is it aimed? Is it crisis and short term or medium to long term? Is it appropriate to have children from the ages of 12 to 18 housed together, unless they are siblings? What will happen to service users when they exit?

Ms Overton-Clarke: I will refer the question to Anne McGrath, who is actually dealing with the proposal for that.

Ms Gallagher: If I could just set the scene before you do. I forgot to do so at the beginning because I did not make an opening statement, but I should introduce to the committee Lou Denley, who is the new chief executive of the Office for Children, Youth and Family Support. We are very lucky to have had Lou join us from South Australia to bring some very strong leadership to this area of government service delivery.

The Isabella hostel is an accommodation option for indigenous young males between the ages of 12 and 18. We can have a discussion about whether it is appropriate to house 12 to 18-year-olds together, but this hostel has operated before. It was closed in September 2004 because of some operational deficiencies. This is establishing the hostel based on a model that is operated successfully in New South Wales. It is badly needed, in my view, and we are very pleased to have this money in the appropriations.

I do not have the figure for today, but in recent months the population of indigenous young offenders in Quamby has fluctuated between 50 and 60 per cent of the total people in Quamby and I think that is a sign that there is certainly some need out there for some intense case management and secure accommodation for this group of young people. That is the aim of the hostel. I will hand over to Anne now for the detail.

Ms McGrath: In terms of exactly who it is aimed at, it is aimed at young ATSI males from 12 to 18. These young people are generally deemed to be at risk in some way or another. It may be that they are either at risk of becoming involved in the youth justice system or already involved in the youth justice system. They often have difficulties in securing any stable accommodation. Quite often, one of the reasons they end up in detention is that they do not have stable accommodation arrangements. Therefore, this is an option for them.

One of the difficulties with any young person in detention, but particularly young people of Aboriginal and Torres Strait Islander descent, is to put together a program which offers them a continuum of service; so it deals with the range of issues they have from offending behaviour right through to how to enable them to be able to re-engage with the community. We are looking at educational and vocational programs and a range of cultural programs, which is fairly important given the nature of ATSI young people in the territory. They often are not involved with their own communities because we have people here from all over New South Wales principally. They do not have the cultural ties here that perhaps young people who associate with the Ngunnawal people do. It is a matter of trying to heighten their own awareness of their cultural issues and re-engaging them with their communities.

THE CHAIR: How many do you expect to be involved with the program, Ms McGrath?

Ms McGrath: We can accommodate six young people at a time. It is very difficult to estimate at this stage how many young people we would see come in and go out over a year. They can be there simply for a very short term, a few weeks, up to much longer terms than that. Our objective is not just to provide a crisis accommodation service, but a supported accommodation service.

THE CHAIR: Do you have evaluation mechanisms that you are putting in place to see how it works?

Ms McGrath: We do have an evaluation program that we are putting in place. We have established a program called turnaround with which we are actually having some very good success with some of our most high-complex needs young people and we are looking at adapting that evaluation methodology to this particular program. Of course, there will be special needs associated with this one, given that it is directed specifically at ATSI young people.

DR FOSKEY: Are there any concerns about exit options for young people? It may not be an issue for you, but it is a big one in the ACT in lots of services.

Ms McGrath: Exit options—transitions, as we call them—are critical to any continuum of care. When these young people are ready to leave the hostel, if they are not in a position where they have become involved in suitable employment and educational programs and do have other stable options for accommodation, then there is no point in them leaving the hostel, because the issue is that they will be back in the situation they were in before they became involved.

DR FOSKEY: Do you draw on the experience of the existing ACT youth boarding house program? Is there any link there?

Ms McGrath: I am not familiar with the youth boarding house program.

Ms Overton-Clarke: That is in the SAAP program.

Ms McGrath: There would be only a fleeting association with the SAAP program. A lot of these young people, we expect, will have had difficulties with being accommodated in our refuges, and often probably they have been excluded from that accommodation.

Ms Overton-Clarke: I will just add to that as well. There are two programs within the department. There is the community housing program, of which the youth boarding house is one, and then there is the SAAP program, which funds and supports people who are homeless. Whilst, of course, there is a very close continuum or a very close association, the thing about the boarding house program itself is that it does not have support in the same way that SAAP does, or indeed in the same way that this accommodation and support service will. So, if you look at almost a continuum of support, in fact this is the very high end, and SAAP gives that support and then the boarding house program itself does not have that same sort of support. So, in fact, whilst it is fantastic that it is all now in the same department and it is all about accommodation and the support that goes with it, this is very much at the high end of it.

Ms McGrath: It could be that people who exit the hostel may well go into some of the SAAP accommodation. So there could be a link there.

DR FOSKEY: That is where that link is important, isn't it?

Ms Overton-Clarke: And SAAP, as part of its program delivery model, has an outreach function as well; so there are possibilities around how people in the boarding houses could be supported and so forth.

DR FOSKEY: Have you also had a look at the operation of a boarding house for young women of ATSI background?

Ms McGrath: Not this particular model; but, now that we are part of the one department, there is supported boarding accommodation in place, which is run by Winnunga. They have funding from the department to run that. In fact, we are looking at this very moment at how those two programs can be more closely aligned.

DR FOSKEY: I thank you for that very informative explanation.

THE CHAIR: I have something on the child protection manual, an item earlier in the piece. Minister, it is an important task. I was a bit intrigued about the request for an additional \$100,000 for something for which I would have thought provision should have been made as part of the normal function of the office. As those reports preceded the end of the last financial year, why wouldn't they have that within their budgetary framework?

Ms Gallagher: It is a bit like my answer about the asbestos task force. The establishment of the office in responding to Vardon has happened in stages. In the appropriations before—it was not just the budget for this year, but the previous year's appropriation No 3—the primary focus was on money for staff and getting staff in, in our response. There were problems with compliance, with responding to reports, and the reports were increasing. I am trying to think of when Vardon came down.

THE CHAIR: May 2004.

Ms Gallagher: May 2004, yes. That was outside the budget process. There was some money in the budget for it. Then we did some immediate response work to that and provided further appropriation, the majority of which was for staff. Now, since the office is growing in and understanding the work ahead, we are responding again to the next priorities for what we need to do. When we were having the third appropriation last year, issues of, say, money for the child protection manual and the accommodation issues had not been resolved, so they were just not dealt with in that bit.

THE CHAIR: And there are no savings ever contemplated that might pick up that shortfall?

Ms Gallagher: I think anyone who has watched this over the past couple of years has understood that there was no money in this department to do the job that they needed to do. Essentially, they were underresourced, underfunded. What has happened now is that

the office has gone through a very rigorous budget, zero-based budgeting, to understand what the actual budget of the office should have been, what it should be and where it should go. That work has been done by Treasury. That has given us more information about further appropriations to the office. That work was only recently finalised as well

If you are asking whether there was a spare \$100,000 to do this within the office, to make sure that this child protection manual met the needs of where the office is now and where it wants to be in the future, there was not. I think that anyone who has watched it has realised that there has been no money in this agency to do anything other than to respond to the number of reports coming in. There isn't any fat in that office and there never has been. Certainly, we have gone through a very rigorous process with Treasury to establish what the actual budget for the office should be, and that goes for some of the other initiatives.

THE CHAIR: Just on that staffing issue—it is a little bit out of left field and you may not want to take it on; it is a supplementary question on the manual—I saw in the media that you were recruiting about 40 people overseas to help in child protection matters and the like, which is obviously a welcome initiative. Are we taking special care to ensure that we thoroughly research the recruits—background checks and so forth?

Ms Gallagher: Yes. Mr Duggan was the officer who went overseas to do the recruiting of those staff, but certainly that was a big part of it.

Mr Duggan: Overseas recruits in most jurisdictions have to have a high-level police disclosure undertaken every two years. There is a constant upgrading of their police disclosure to make sure that there are no issues there. That has been effectively engaged in. The immigration process is very effective around police checks, and that goes for their partners and all members of the families; they are actually undertaken as well.

THE CHAIR: That is reassuring.

DR FOSKEY: Could you please clarify who uses the manual, who is going to redevelop it and how we can be sure that the rather large investment involved will be effective?

Ms Denley: We are progressing with this work as it is. Minter Ellison has assisted the staff people involved in the development. This is an operational manual for all operational staff who are involved in undertaking child protection work with children and families.

The other feature of this manual, which is absolutely essential, is that it is going to be easily accessed by those workers in terms of being available in an electronic form. It will link the requirements of the legislation with their requirements in terms of operation. I would hope eventually we can also link that to any online training that is appropriate. I think it becomes the foundation for our work. The new recruits coming in will be using it, staff will be using it to update any legislative change that emerges. So it really is the operational manual for staff.

DR FOSKEY: Dot point 3, on page 230, is about accommodation consolidation. This is rather a large amount of money. Can you please break down the costs of relocation and business support and justify what appears to me to be a very high level of funding

allocated to each of these? You have nearly \$1½ million for accommodation consolidation and \$699,000 for a shortfall in business support costs.

Ms Gallagher: One of the recommendations of Vardon was to consolidate the different offices that operated across Canberra and have a more central focus. So this is to move 12 different offices, I think, into one in Civic. It is the cost of entering into a lease agreement for that workplace and to have the capacity to deal with the additional staff that we are bringing on board. In relation to the shortfall in business support costs, those figures have been resolved in discussions on the costs once the office was separated from the Department of Education and Training and how much the office was underfunded when it was there.

THE CHAIR: Has that been provided for a further three years? Is that correct?

Ms Gallagher: Yes, that is right.

THE CHAIR: Why would it be on that basis?

Ms Gallagher: In terms of the business support costs?

THE CHAIR: Yes.

Ms Gallagher: Because they are ongoing. This organisation has doubled in size in response to Vardon. When the work was done between Treasury, education and the office to establish the costs of providing the support to the Office for Children, Youth and Family Support—a very lengthy piece of work—these were the figures that were resolved as being the actual true cost of providing appropriate support costs to the whole office. So it is an ongoing cost.

MRS DUNNE: Could I follow up on that? I do apologise for coming in a little late. This may have been covered, but is the \$8.724 million appropriated here over and above, or is this the money that was allocated as a result of the Vardon inquiry?

Ms Gallagher: This is in addition to.

MRS DUNNE: This is in addition?

Ms Gallagher: Correct, yes.

MRS DUNNE: Previously you had allocated \$75 million over five years.

Ms Gallagher: I was just looking for my sheet, actually. I cannot find it.

MRS DUNNE: I am just trying to work it out.

Ms Gallagher: Yes. This is in addition to the \$6 million immediate response that we had to Vardon. It is in addition to the—I am trying to think what it was—\$9.3 million or \$9 million in the third appropriation, and this is further money. We have said all along, as we have been implementing the recommendations of Vardon—every time we have had an appropriation, I have said at each committee—there will be further work to be

done in understanding the true cost of implementing and agreeing on the Vardon recommendations.

MRS DUNNE: So the \$75 million that was announced, roughly at the beginning of July last year or at the end of June last year, is—

Ms Gallagher: That was over a four-year period, from memory.

MRS DUNNE: Yes, that was over a four-year period.

Ms Gallagher: Yes. I cannot remember if it was \$75 million.

MRS DUNNE: It was \$70-odd million. But is this \$8 million in addition to that \$70 million?

Ms Gallagher: Yes.

MRS DUNNE: So these are expenses that were unforeseen at the time, even though, for instance—

Ms Gallagher: I don't think they were unforeseen. We hadn't resolved the true cost of them; so they were not included in that. As I said before you arrived, Mrs Dunne, the immediate response was to tackle essentially the staff shortages, the increase in the cost of care for children whom we were seeing coming in, and the increased numbers of children that were coming in. They were the appropriations, roughly. It was around the third appropriation, and that is additional funding in the budget in response to Vardon. This is in addition to that, yes.

THE CHAIR: Just a question on the shortfall in business support costs. It talks about this meeting essential business support costs for the office, et cetera, of about \$700,000. I am just a bit curious—I do not want to be pedantic here—but if they are essential business costs would they not be within the budget of the office? Is there an issue about how they are managing the planning process?

Ms Gallagher: It has a bit of an historical base. Before I get myself into trouble by saying something that is wrong, I will hand it over to Ms Overton-Clarke. But from the way I have watched it, it is that Children, Youth and Family Services, as it was known then, was 10 per cent, roughly, of the budget of education. When it was drawn out of education there were discussions between education and the office about how much of education is business support costs.

THE CHAIR: So there was a notional figure given of 10 per cent?

Ms Gallagher: That was the budget in terms of the big education budget. This was the office component. And then there were discussions about how much of education's business support costs should come with the office because they were all in the one department. Those negotiations have been resolved now with Treasury and education, with the, I guess, acknowledgment from those agencies that there was not enough funding for the office. In addition, we have doubled the size of the office; so those costs have increased.

THE CHAIR: So they should settle in the future in terms of there being a plan and an acceptance of what the reasonable costs are.

Ms Gallagher: That's right. Do you want to add?

Ms Overton-Clarke: That is exactly the point that I was going to make: the office has gone from being a very small part of a big department to quite a substantial portion of an existing department; so we have had to ensure that there are enough resources to do the back-end functions—the HR, the finance support.

MRS DUNNE: As Dr Foskey said, the accommodation consolidation is a substantial amount of money. What are the offsets in savings because you are currently spread over, I think, 14 sites.

THE CHAIR: Twelve locations.

Ms Gallagher: Twelve sites.

MRS DUNNE: Presumably you are making some savings; you are not going to be renting space in the Callam Offices and in Tuggeranong. Are there offsetting savings, and where are those?

Ms McGrath: I can answer that. The short answer is no. Moving into the Civic location will actually be more expensive than our current location. We are in 12 locations. We will be leaving Quamby where it is—

Ms Gallagher: For the time being.

Ms McGrath: The adolescent day unit operates out of Erindale College; so that will stay there also. So the nine different locations include places like part of the old library at Griffith, the library area part of the O'Connell youth area. The rent, if we are paying anything, is absolutely minimal. It is the same at Lyons primary school, where we are at. We are paying fairly low rent in Callam because there is a cap on that rent. The only area where we would have even close to comparable rent with the city location is potentially Belconnen and Tuggeranong, but obviously there will be differentials in those. So even though we are in a whole lot more locations, the movement into a central location in the city means that we will be paying higher rent than we would otherwise be paying.

MRS DUNNE: I understand that, Ms McGrath, but what I was trying to get at is this: I understand and appreciate that you will be paying higher rent; you are in the city; it is all located, but there is a whole lot of other rents that you will not be paying. Can you quantify that? I am quite happy for you to quantify it on notice.

Ms McGrath: We will have to come back on exactly what we are paying elsewhere.

THE CHAIR: Take it on notice.

DR FOSKEY: Could you please break down the additional support to be provided to the children and young persons system?

Ms Gallagher: To CHYPS?

DR FOSKEY: Yes, CHYPS.

Ms Gallagher: CHYPS is the electronic database. There were deficiencies within that which were identified in Vardon, and this is to provide some extra money to make sure that that system is operating as best it can. I have had discussions with the commissioner at times that CHYPS perhaps isn't the best system for the work we do; so we will look at that. I have not had any further advice on that, but it is the system we operate on now. There have been substantial improvements to that system to make it work better. Ms Overton-Clarke is nodding like she has something to add.

Ms Overton-Clarke: I do. The specific breakdown is for five staff to add to the support for the system. One of the risky things, frankly, has been that we have one person who supports the system, and we have addressed that by ensuring that the support, in terms of data management, the data minding capability, the support for the system itself, will be addressed by getting that additional funding.

DR FOSKEY: It looks as though this money is pretty much, as you say, for supporting the existing system but the review might suggest, as you have indicated, there will be a new, more appropriate database system.

Ms Overton-Clarke: Yes. It does also include funds to investigate the business case around longer term replacement of the system. There are things we are doing in the short term. There are two aspects that we are doing in the short term to ensure much better delivery to the frontline staff. The first is to be able to fix up a number of the issues that Gwenn Murray identified in her report in terms of access, licence, just the sheer mechanics of how people access the system itself and the speed at which they are able to get information in and out of it. That will be addressed through some of the programming, through having those additional positions and being able to get to that work quickly.

The other thing we are doing is working with the whole-of-government policy IT area to look at a management system that could sit on top of CHYPS to be able to give management information to different parties. What that could mean is that, in terms of the interface between the CHYPS system and the juvenile justice system, you could have people accessing different parts to be able to link it up. Ideally, in time, we would like that to go to further places across government, obviously. It is pretty exciting stuff, and that has actually been funded out of the Microsoft fund about exciting project development work, whose name I have forgotten. But there is a potential to be able to overlay CHYPS with some management enhancement capability.

MS MacDONALD: Just on the individual support packages: with regard to the list at the bottom of page 230, I think that is your area as well, Ms Overton-Clarke. I am just curious to know whom that is for. If you can give us some information, I am just curious to hear about it.

Ms Ash: The individual support packages were a response for providing accommodation and services to young people with very high needs. They are services that we have had to

develop over the last 12 to 15 months. Our intention will be to try to ensure that the funding that is being considered here will be used for approximately 28 young people over a full year.

Ms Gallagher: That is the costs that we expect for this financial year. It needs a very, very high complex management of young people.

Ms Ash: The sort of young person who would be using this service would be a person who would be experiencing significant self-harm. We would be struggling to ensure that they are not cutting themselves, harming themselves. A number of the young people who would have used these services have also been quite suicidal. The intent of the programs is to try to stabilise them. Frequently, their behaviour has been so concerning that we have not been able to even keep them stabilised in one place. Their needs are well beyond foster care or even standard residential care, and they are typically in the 10 to 18 age group, but 10 to 15 where we would have serious concerns.

Their needs for supervision are 24-hour supervision, close supervision. There is always an interface with the police and almost always with mental health or alcohol and drugs. If I can paint a picture of the young persons who would be using these sorts of services: they are usually children that the territory has a responsibility for, but we are finding that any of the other existing services have not been able to meet their need. Therefore, we put an individual support package together for them.

THE CHAIR: Yes, you have limited accommodation options. What options do exist at present?

Ms Ash: The current accommodation, we would purchase through agencies foster care and we would have a crisis residential program at Marlow run by Richmond Fellowship. We have a very small number of beds for high-support services, but almost always those services would be four or five young people in the one place. If you could imagine the needs of the young people using individual support packages: they find it very difficult to be stabilised and to care for them properly in a situation where you have three or four other young people. So these young people's needs are beyond that. But they are the range of services that we have at the moment.

THE CHAIR: Minister, I am mindful of the demands on your time. Dr Foskey has a number of other questions, and I am happy to extend the hearing for another 10 minutes if your schedule will permit it.

Ms Gallagher: I am happy for 10 minutes. I was surprised that only half-an-hour had been set aside for this item, but 10 minutes is fine. After that, I will have to go. I think I can hear the health minister outside as well.

MRS DUNNE: I want to follow up on something that Ms Ash said. How much interaction is there between your packages and packages that might be provided through the mental health service?

Ms Ash: For all of these young people, there would be close case-practice interaction. Almost always there would be a need for them to receive some services through mental health. Usually mental health would be involved where there would be an acute period of

illness or acute period of need, and then we would actually bring them back into the intensive support package arrangements.

DR FOSKEY: Dot point 5, on page 230, relates to the proposed \$536,000 for increased resources for child protection and is to address increased workload issues. Is this for funding new positions or other types of resources?

Ms Gallagher: It is new care and protection staff.

DR FOSKEY: And a question as to whether there will be any increase to NGO-funded services to provide wage equity for people working in the children and youth sector in the next budget. That is a bit of a facetious one, isn't it?

Ms Gallagher: I cannot tell you what will or will not be in the next budget because I do not even know. We are certainly conscious of any impact the response to Vardon has on the community sector in terms of extra obligations, and we are doing that work to make sure that, if there is a cost, it is included in any further response. But, again, this appropriation is seeking staff—it will be about an extra 30 staff—to meet the reports that we are seeing coming in.

DR FOSKEY: I had better go quickly. Dot point 1, on page 231, refers to Quamby. It has a rehabilitative focus. I am just interested that additional funding is being spent on security rather than case management. It refers to exit planning, education, training and other programs to prevent recidivism.

Ms Gallagher: In response to that, Dr Foskey—I do not know if you have watched in the last year or so—there have been a couple of escapes from Quamby. This is to meet the cost of some extra security that has been required at that building. I think everyone knows Quamby is not an ideal facility. It has lots of shortcomings, security being one of them. Whilst Quamby remains where it is, we need to be meeting those challenges as they arise.

In terms of education: we have poured enormous resources into the Hindmarsh Education Centre. I have actually established a school board for the first time. There are two full-time teachers. We have got better computers going in there. The focus on education and training is very strong, as is individual support for children—“young people”, I should say; we don't like too many children in there—young people to not come back to Quamby and to have a life outside Quamby.

In fact, I was out there in December last year when a very successful young man was leaving, or had had a successful time in Quamby, if you can call it that. I cannot tell you how impressed I am with the staff at Quamby and the work that they are doing, individually supporting very complex young people to make sure that they do not come back in. That is the whole focus of the work that Quamby is providing now through their youth workers, and they are providing it in a circumstance where the environment is less than ideal—and that is being polite—although we are putting in measures to try to make it as ideal as possible. We have got extra units going in there so there are some better ways of dividing up people, young people, as they come in, if it needs to happen. But there are some shortfalls with that building that will remain there whilst Quamby remains there.

THE CHAIR: I am not across all the history of Quamby, being a new member of the legislature, and I suspect Dr Foskey may not know. Is this earmarked for replacement by the territory government?

Ms Gallagher: Yes, we have put aside \$20 million. It started off as a redevelopment of Quamby. Following the two escapes, we had a security review done of Quamby where it was drawn to the government's attention that a redevelopment was not ever going to be ideal on that site because of the site; it is stuck on the side of a hill. There are problems with the fence and how you make that facility secure. Government has taken the decision that we will rebuild Quamby in a new location.

THE CHAIR: Is that part of the new prison, adjacent to the new prison, or not?

Ms Gallagher: No, that decision has not been taken. Our preference is not to have it near the prison. There are some sensitivities with having quite young people—down to 10-year-olds sometimes—next to adult prisoners, but we are doing the work to identify an appropriate site. And we are looking certainly at some of the sites that we looked at for the prison.

THE CHAIR: Any timetable?

Ms Gallagher: As soon as we can, yes.

DR FOSKEY: Just one more very quick question—it's an auxiliary question to the one that the Chair asked you—about young people being transported interstate. The question is: is there provision to provide support to families to regularly visit these young people?

Ms McGrath: We do provide support to families. It is very much on an individual case basis. If we do transfer a young person interstate we meet with the family and generally arrange to meet their costs. There is one family in particular, a fairly large family, which visits a young person, I think on a monthly basis, and we cover the cost of the whole family visiting.

DR FOSKEY: Is there any plan to address the actual gap in ACT services that means we do need to send them interstate?

Ms Gallagher: I guess it is a policy decision for government in the end. We have a medium-standard facility, although it might be slipping from medium standard—

Ms McGrath: Medium to open.

Ms Gallagher: It certainly was when it was built, but there have been changes to security standards. At this stage it is not the government's intention to build a maximum-security facility.

DR FOSKEY: So these are young people who are not young people with mental illness but people who are ill, regardless—

Ms Gallagher: Who require maximum-security accommodation, and that is not what

Quamby provides.

THE CHAIR: I think Mr Duggan covered a couple of scenarios.

Ms Gallagher: Because of the very low numbers that we see, we would not want to have the other residents of Quamby, who are not high-security young people, to have to exist in an environment like that. We would much prefer a more open facility that isn't like that, basically. That is one of the things with a small jurisdiction. You have to build something that is suitable for the majority, and there will be those young people. One of the young people that hopped over the fence was deemed to be someone who would have a lot of trouble staying in Quamby if he stayed in Quamby, and that presents risks to staff, risks to other young people and risks to the young persons themselves. So it is all weighed up.

THE CHAIR: I think we are at time. I thank the minister and the officers for their assistance and cooperation with the committee and members.

Ms Gallagher: Thank you, chair.

Short adjournment

Appearances:

Mr Simon Corbell, Minister for Health and Minister for Planning

ACT Health

Dr Tony Sherbon, Chief Executive, ACT Health

Mr Mark Cormack, Deputy Chief Executive, ACT Health

Ms Laurann Yen, General Manager, Community Health

Mrs Jenelle Reading, Director, Dental Administration, Community Health

Ms Denise Lamb, Director, Child, Youth and Women's Health Program

THE CHAIR: We will now move on to health. I will just read my script. I need to put some things on the record for the witnesses. For those who give verbal evidence to the committee today: a copy of the transcript will be emailed to them as soon as it is available for correction and so that they might identify questions that have been taken on notice. Please return responses to questions on notice to the committee secretary within five working days of receiving the transcript. To assist in the preparation of the transcript, witnesses need to state their full name and the capacity in which they appear on the first occasion that they give evidence.

Prior to the giving of evidence, I would like to inform each witness, you should understand that these hearings are legal proceedings of the Legislative Assembly, protected by parliamentary privilege. That gives you certain protections but also certain responsibilities. It means that you are protected from certain legal actions, such as being sued for defamation for what you say at this public hearing. It also means that you have a responsibility to tell the committee the truth. Giving false or misleading evidence will be treated by the Assembly as a serious matter.

I invite the minister, if he wishes, to put anything on the record by way of an introductory statement before committee members ask questions.

Mr Corbell: Thanks, Mr Chairman. No, I don't have any particular opening statement I would like to make. I am happy to go straight to questions.

THE CHAIR: Minister, I open with a question in relation to the outcome of wage negotiations—page 51, for reference. With the additional \$8.5 million, are you able to provide—and you may wish to take this on notice—the numbers of additional doctors, nurses, radiologists and any other professional categories that may be employed under that figure?

Mr Corbell: The wage increases relate to existing staff within the system. The wage increases are not designed to increase service delivery. That is dealt with separately through the budget process. But there will be benefits from having a more competitive wages regime. In a number of both our nursing and medical classifications, our wages were becoming uncompetitive. That meant that work force shortages were becoming even more difficult to address because, obviously, if we are not able to pay a competitive wage, it is more difficult to convince people to come and work in our system. Given that there is a range of work force shortages across the health sector, we needed to make sure that we were at least competitive on the wages front even to be in the race to attract and retain the skilled professionals we need.

But in terms of the detail, if you like, I will be happy to provide the committee with some level of information on where there were particular work force specialities and, in particular, in the nursing EBA, which I guess is the most significant of the EBAs, some examples of where nurses were sitting both before and after the wages increases in comparison with their counterparts in other jurisdictions.

THE CHAIR: Do you think now your problems of recruitment or retaining people will diminish significantly by getting this wages parity or do you think you are still going to have a serious problem? Maybe you could just focus on areas where there are acute issues in terms of personnel.

Mr Corbell: We are still going to have serious problems because the work force shortages are national and international in their scope. It is not simply a matter of competitive wages to turn that around. It is just that the sums don't add up. There are a certain number of positions. There is an increasing number of positions and there are only a certain number of people available nationally and internationally. The wages arrangements assist us to a degree, but there will be still a range of shortages both in medical specialities and in nursing. I will ask Dr Sherbon to give you a little bit of advice on some of those areas.

Dr Sherbon: As the minister said, the nursing EBA outcome will assist us in positioning ourselves to the extent that financial considerations for nurses will induce them to come to the ACT or stay in the ACT or come back to nursing if they live in the ACT. Many nurses, of course, are not working in nursing.

Also, within this EBA, there were provisions for increased recognition of nurse qualifications, a new career pathway for those nurses who wish to remain in the clinical, research or teaching nursing. It is a new career pathway for those nurses. Senior nurses do not feel they have to go into management to receive senior recognition in salary. Also, there is improved educational support for nurses, with 20 additional clinical development nurses on the wards.

The areas of shortage in nursing relate to, as the minister mentioned, highly specialised nursing, particularly intensive care, operating theatre, mental health and emergency department nursing. I am happy to report that we are currently conducting our own postgraduate qualifications in operating theatre and intensive care nursing, with the result that we have increased postgraduates through those courses. They are telling us that they are more amenable to completing those courses on account of the financial recognition that will follow.

THE CHAIR: Are your shift arrangements for nurses being well received amongst your staff there?

Mr Corbell: They are different in each hospital. Are you referring to the Canberra Hospital?

THE CHAIR: Canberra Hospital, yes.

Dr Sherbon: When you say "well received", night duty is still a problem for us,

particularly at Calvary Hospital with recruiting night duty nurses, but the introduction of 10-hour night shifts at Calvary will assist. That means that a nurse can work four shifts a week and clock up 40 hours, rather than five. That helps with lifestyle, given that there are three days for other commitments per week. There is no change to the night duty arrangements at Canberra Hospital, but the shift work arrangements are not without problem.

THE CHAIR: There are no 12-hour shifts applying?

Dr Sherbon: Not by prescription in the EBA; there may be by local agreement. I can't really answer that question off the top of my head. But there are double shifts that are voluntarily worked by some nurses from time to time. We monitor that very closely; we are monitoring nurses' overtime, through our own internal systems. About 27 FTE nurse time per month is incurred in overtime. Most of those would be double shifts.

THE CHAIR: Do you have data available or would you know what your retention rate is of staff in nursing or the percentage that you are losing each year?

Mr Corbell: Yes, we have that data.

THE CHAIR: Would that be available today or something you would take on notice?

Mr Corbell: We can take that on notice, Mr Chairman.

DR FOSKEY: I have a couple of questions. First of all, on the Aboriginal and Torres Strait Islander dental and health program—a commendable initiative—can you please provide more detail regarding the nature of the program and how the \$56,000 appropriated in this budget will be spent?

Mr Corbell: I will give you a bit of an overview, but I might ask some of the relevant officers to provide further advice. The funding is to Winnunga Nimityjah. They will run a dental program from their new headquarters at the old Narrabundah health centre. I have to say as an aside that the relocation of Winnunga to Narrabundah has proven very successful. I was speaking with one of the doctors who works in Winnunga the other night. He indicated to me they have seen a significant increase in the number of indigenous people accessing their services because of their location in Narrabundah.

He put that down not only to, I guess, the proximity of the health centre to the indigenous community in that area of south Canberra but also to indigenous people from Queanbeyan being more able to and more easily able to access it. That is a very positive outcome of the relocation, as well as the obvious occupational health and safety benefits of being in a much larger building than Winnunga had at Ainslie.

The program itself in relation to dental health will focus on those indigenous individuals who have not been able to easily access dental health services previously, whether for cultural or other reasons. Certainly the evidence is very clear that indigenous people have a greater prevalence of dental problems than the non-indigenous community. The funding itself is \$56,000 in the current financial year. We do anticipate that that will continue into the forward years at a cost of around a quarter of a million dollars a year. Either Dr Sherbon or other officers can provide you with some more information.

Dr Sherbon: The details are that the small amount for this financial year obviously recognises the fact that we are unlikely to start this service before April, before the bill is passed and before the funds are appropriated. What it does allow for is a dentist working within Winnunga, a dental assistant working with that dentist and annual maintenance costs of the clinic which is, as the minister just reported, currently in the final stages of installation as a result of a previous grant by an ACT government. As the minister outlined, it is a major intervention into a very high-need group and we are confident that, with Winnunga's long track record of providing excellent services to the indigenous community, they will provide very extensive oral health outcomes through this service.

DR FOSKEY: Is there an existing clinic in the Narrabundah health centre?

Mr Corbell: Do you mean a room or a service?

DR FOSKEY: I am sure I have visited it. Yes, I do remember there being one.

Mr Corbell: I am not sure now that there is a fitted-out dental clinic there. My understanding is that we have had to refurbish a room there. Ms Yen can provide you with some more information.

Ms Yen: The clinic at Narrabundah health centre is being built as part of the renovation of the health centre. As Dr Sherbon said, it is just about completed now. If you were visiting then, you would notice that all the flooring is down, the cupboards are in and the chairs are about to be put into place. There wasn't one in the old centre. We were not using a dental clinic in the centre.

DR FOSKEY: I am confusing it with another service in Narrabundah, clearly.

Ms Yen: We have dental clinics in Tuggeranong, Phillip, Civic and Belconnen, but Narrabundah did not have an operating dental health clinic.

MS MacDONALD: My question is about the child at risk assessment unit. It is not a particularly happy subject but it is obviously a good program, a necessary program that needs to be run. My question, I suppose, is: how many children are we talking about in this case who actually fit into that category of being under 10 and harming other children sexually?

Mr Corbell: Per annum?

MS MacDONALD: Yes, per annum. I should imagine the numbers are small. If it is over a certain period of years, then I would be interested in that as well.

Mr Corbell: Dr Sherbon advises me that, on average, the unit is unable to meet some of the increasing demands—about two to three referrals per week to CARAU in this age bracket—at the Canberra Hospital. They are the instances of children under 10 sexually harming another child. That is a fairly grim statistic but it is a trend that we need to intervene in much more proactively, and that is the purpose of this funding.

THE CHAIR: Minister, just on that statistic: is that cases referred that are for

examination or that are actually confirmed where there has been some preliminary belief?

Mr Corbell: It's a referral from within the hospital.

THE CHAIR: From another agency or a medical—

Mr Corbell: People presenting to ED, people presenting to community health.

THE CHAIR: So we see about 150 cases a year?

Mr Corbell: Yes, it is fairly significant.

MS MacDONALD: Dr Foskey and I were just at a legal affairs committee hearing dealing with the annual report for JACS. We were dealing with the RRR program, which is for children aged 12 to 18, from recollection.

DR FOSKEY: I suppose under 10 is outside the criminal system.

MS MacDONALD: I am blown away that they are the figures. Do you have any figures on what it was beforehand? Is that a huge increase?

Mr Corbell: My understanding is that there has been a steady increase in the number of referrals. Whether or not that reflects an actual increase in the incidence of this type of behaviour or whether it simply reflects an increase in the reporting is difficult to determine, but the bottom line is that there has been an increase. The advice I have is that children in these circumstances need a specialist level of assessment and treatment. It is not a criminal issue; it is a matter of delivering the appropriate therapeutic environment to try to address the issues that these children have.

THE CHAIR: This is child-to-child, minister, I think you said, didn't you?

Mr Corbell: That's right. It is children interfering with other children, that's right.

DR FOSKEY: Just to follow on from that: is there a separate program dealing with the children—the victims of these young perpetrators, I suppose; I am not sure these are the right words—outside the health system? Sorry, this is not related to the appropriation but I would just like to follow it up right now.

Mr Corbell: I am not familiar with the details of that.

Dr Sherbon: I can answer your question partially, through the chair. There is obviously concern from the community about the number of children—two to three referrals per week. Most of these children, I am advised by the experts, are usually in some way involved in the child protection system themselves. Their sexual behaviour is usually modelled on abuse perpetrated upon them and hence transferred to siblings or acquaintances. That is not a universal observation, but it is a frequent observation.

This program that the minister has put forward in the bill is a therapeutic program designed to limit such behaviour and usually involves educating a child, though this

program, on the boundaries of what is acceptable behaviour, because often these children have not had that boundary made clear to them because they themselves have been subject to some form of sexual abuse. The program is designed around supporting their therapeutic needs. Many of these children will be receiving comprehensive programs through other government agencies, and a large proportion will be the subject of child protection interventions themselves.

Mr Corbell: I should just clarify my comments. I said that many of them would be identified through other health settings—if they presented at emergency and so on. It is also the case, just from referring to my notes, that they could be referred from a school setting, childcare setting or so on. So it is a whole range of settings.

THE CHAIR: I take you back, minister, to the issue that arises out of wage negotiations. I know you are getting back to me with some of the statistics on people leaving the employ of the health service. I do recall, from this committee's examination of the state of the service report, that your department topped the charts in terms of the level of absenteeism amongst, particularly, nursing staff. As I recall, it topped the charts in terms of the number of people who had made claims for stress and who were working. That was in the nursing area.

Whilst there was some understanding that there could be workplace injuries from moving patients and beds and all those issues, the issue of stress is a different situation which I would assume would relate to the nature of the work and the workplace environment. Could you or your chief executive give us any indication of what steps you are taking to address that, to bring those figures down, either through improvement in the workplace environment or in examining the cause of this very high rate of claim?

Mr Corbell: Yes, certainly. It is a very difficult environment to work in, by its very nature, at times. Obviously that is compounded when the workplace is suffering from staff shortages and the remaining staff often feel a moral obligation to continue to work and provide services in a setting, even though they have been working very hard for quite a sustained period already. I know that is the dilemma that many nursing and medical staff face.

For that reason, the government's emphasis, in terms of addressing it, is around addressing work force shortages because, with improvements in the level of staffing in a whole range of areas, there is reduced stress on staff, in terms of what they may feel is some moral obligation to work longer hours or additional shifts. Equally, there is the opportunity then for staff to focus not solely on their day-to-day work but also on professional development and other aspects of their career.

The EBA reflects that, as Dr Sherbon outlined, in terms of funding that is available in the EBA for clinical development nurses. This is particularly focused on new nursing staff, because that is often where we see a lot of people fall out. New nurses who arrive on deck can find it a very confronting experience and, without a decent level of support for them to make the transition from nursing school to the full-blown nursing environment within a hospital, we can lose those staff.

So the clinical development nurses are designed to provide those staff and, indeed, other nursing staff with support in terms of their ongoing learning and professional

development in the workplace, as opposed to in the nursing school. That is certainly designed to help alleviate some of the stress issues associated with new staff, as well as the need to retain those staff on an ongoing basis in the system as part of our work force. I will ask Dr Sherbon to comment on some of the other issues around the workplace environment.

You did mention, though, Mr Chairman, the issue of physical injury. That has been a major issue also for the department and the hospitals. The Canberra Hospital and Calvary public both have high levels of claim for workers compensation because of physical injury. Mostly that has revolved around the physical lifting of patients, of healthcare consumers, and that has seen our premiums reach very high levels.

The government, in the last budget, introduced a major initiative to move away from all the manual equipment we have in the hospital in terms of beds and other pieces of equipment to electronic equipment or automatic equipment that reduces the need for physical lifting. That is starting to make a real difference on the ground. Staff are noticing the difference, from the feedback I have received from the department and from my own discussions with staff from the hospital. We are hopeful that in the medium term it will translate into a reduction in premium and therefore costs to the community in terms of workers compensation premium. But I will ask Dr Sherbon to comment further on the workplace environment.

Dr Sherbon: And the stress claim issue?

Mr Corbell: Yes.

Dr Sherbon: There are 29 stress claims that I am currently managing in ACT Health, out of 5,500 staff. Of those 29 claims, most are back at work in their original workplace. I can't tell you exactly how many are nurses. I can confirm that for you if the minister so agrees.

Mr Corbell: That's fine.

Dr Sherbon: The commonest source of our stress/psychological injury claim for nurses is related to patient assault of nurses. They are by far our largest stress claim cost with nurses. We have had some nursing staff who were assaulted by patients. The minister and I are working on a revised workplace violence policy—

THE CHAIR: So they don't go into the physical injury category of claim?

Dr Sherbon: They have a physical injury often, but the bulk of their time off work is accounted for in the claim for the trauma, the understandable trauma, the unacceptable trauma, associated with the assault. So we are working on a workplace violence policy, which is not yet in a position for the minister to consider, though it will be in the coming months. It is an issue for us. It is unacceptable that 29 staff are subject to psychological injury in the workplace. As I said, a significant portion of those are related to assaults, and that is just totally unacceptable.

I am happy to report, however, that in recent months, as the minister outlined with relation to manual handling injury, there has been an improvement. There has also been

a similar improvement in patient assaults in the last four months. We have managed to reduce patient assaults quite extensively, and I would expect further reductions, hopefully to zero, for the foreseeable future.

THE CHAIR: How many employees do you have in the two hospitals? I think you have said 5,500, but you are talking about people in your department as well in that.

Dr Sherbon: Yes. That is the total FTE count across—

THE CHAIR: The total number of people, but I think our focus here is on the hospital staff.

Mr Corbell: There are about 2,500 employees at the Canberra Hospital.

THE CHAIR: Finally on this issue of hours and stress and so forth: does it concern you in any way that patient diagnosis could be somewhat imperilled by the pressure and extended hours? I know Canberra as a location is not unique in terms of hours that, particularly, doctors are working. Is there not some measure of risk, if people are seriously stressed enough to have to file claims, in their dealing with patients who have been presented?

Mr Corbell: I don't believe so. Certainly all the evidence suggests, in terms of adverse events, that that is not a factor, despite the workload pressures that some staff face. The clinical decision making by medical and nursing staff is still of a very high order. There is nothing that has come to my attention that would suggest that that is a factor.

DR FOSKEY: The Greens believe it is commendable that the government has provided wage increases for public sector employees, and particularly nurses in this case. This is a slightly facetious question: will there be a commensurate increase to NGO-funded services, to provide wage equity for people working in the health sector, in the next budget?

Mr Corbell: That is something that the government would want to consider in the context of the coming budget, Dr Foskey. I'm not really in a position to flag anything further.

DR FOSKEY: Well responded, and predictably as well.

MR SMYTH: On the staffing numbers, what is the ratio of staff from, say, admin staff to line staff—nurses, doctors and that? Is that a figure that is available?

Mr Corbell: In the hospital?

MR SMYTH: No, across your entire portfolio.

Mr Corbell: The overwhelming bulk of the staff are nursing and medical staff, without a doubt. The nursing work force is the single largest work force, I think, in the ACT administration. I think teachers are fairly close behind or roughly equal but I think the nursing work force is the largest single work force.

MR SMYTH: I know that. I was just wondering if there was a breakdown. I am happy for you to take it on notice.

Mr Corbell: I do not have that, but I can take it on notice for you.

MR SMYTH: That is available—good. How many staff are in the policy unit in the department?

Dr Sherbon: I can get that figure for you. It is a unit of approximately 15 to 20 FTE. I will have to get the exact figure for you on notice, but it is not a large unit; it is certainly not in any league when compared to clinical nurses delivering services at the coalface.

THE CHAIR: So there would not be 40 to 50 people in that area or anything of that order?

Dr Sherbon: It depends on what you mean by policy. We have a policy division, which has a set number of FTE. There are other divisions that provide advice to me and the minister from time to time—the population health division, the planning division—which in other portfolios are considered policy. With the minister's agreement, we can supply that information.

Mr Corbell: We will do that.

MR SMYTH: Thanks.

MRS DUNNE: I would like to go back to the issues of patient assault in the first instance. Dr Sherbon, you said there has been a substantial decrease. What measures have you put in place to effect that?

Dr Sherbon: Improved training of staff. We run a program that is specifically designed to help staff with the frontline response to violent patients, aggressive patients. We are looking to improve our secondary support to staff who deal with violent and aggressive patients, through better response times from well-trained staff members who can assist in patient restraint if necessary. Obviously, the third level of response is to call in law enforcement. Particularly if there is a weapon involved, we do not hesitate to call in the police service.

We do run a training program. The feedback from staff is that that is useful but they want more, and I agree that staff should never be exposed to a situation where they are assaulted. As I have said, there is a significant amount of work going on that will be with the minister in the coming months over some important arrangements within ACT Health to reduce violence in the workplace.

MRS DUNNE: Just another follow-up: Mr Mulcahy asked questions about misdiagnosis and he talked about adverse outcomes. What sort of definition of adverse outcomes are you using? Would a misdiagnosis at accident and emergency be classified as an adverse outcome?

Mr Corbell: I'm not a doctor, so I am really not in a position to get into the technicalities of adverse outcomes, but perhaps let me explain, Mrs Dunne, how I was

trying to answer that earlier question. I obviously become aware of cases where there are deaths of people in the hospital which are subject to a coronial investigation. I follow those fairly closely and the department keeps me advised of the progress of those matters. From that advice and from my own following of it, it is difficult to see that the workload pressures of staff have contributed to mistakes.

There is no doubt that mistakes occur in the health system and, regrettably, too many people across Australia die as a result of mistakes made in hospitals. That is a major focus for us, as it is for all other jurisdictions, through the quality and safety agenda. Quality and safety is something that we are investing significant amounts of money in, receiving support from the Quality and Safety Council, which all health ministers set up as a statutory body which provides funding for quality and safety projects in health systems. We receive money to do that, and a number of our staff at the Canberra Hospital received national awards at the quality and safety dinner late last year for their work in advancing, in their particular areas of the Canberra Hospital, the quality and safety agenda. But nothing that comes through in the advice to me suggests that workload pressures have been the reason for errors in terms of care.

THE CHAIR: Minister, would you know typically what hours interns are working in the hospitals?

Mr Corbell: I don't personally, but we do keep track of that data.

THE CHAIR: Would Dr Sherbon be able to provide that information?

Dr Sherbon: I cannot give you a figure right now, but what I do know is that every month I get a report of overtime worked in the health service, and it usually varies from between 25 and low-30 FTE per month out of the many of hundreds of thousands FTE worked. I think extreme overwork is associated with poor outcomes but, as the minister has described, overtime is an issue within our work force but it is not something that we rely on daily to sustain all aspects of the work force. In some areas of shortage, overtime is routinely used, but not to a dangerous extent, and there is no evidence before the minister or me at this point of overwork contributing to adverse patient outcomes.

THE CHAIR: But you cannot give me typical hours of what an intern might be putting in at our hospital?

Dr Sherbon: I am sure they are working, in my understanding of their current situation, somewhere between 45 and the low-50 hours per week. I can get you a confirmation, because it will come off our system.

THE CHAIR: It would be most helpful.

Dr Sherbon: But it is not like it was perhaps in decades past, where interns and other junior medical staff have been required to work extremely unsafe 24-hour, 48-hour or even 72-hour shifts. The health industry as a whole has recognised that that is unacceptable, and those arrangements are very rare, usually confined to very small country hospitals now.

MR SMYTH: On page 60, under output class 1, I note that the number of inpatient

cost-weighted separations has declined by 2,232 for the year. Is it possible to get the average cost-weighted separation broken down for its average costs—what component is admin, what component is nursing, medical, insurance, whatever?

Dr Sherbon: Yes, that is possible.

MR SMYTH: And do you have that comparison with the other states?

Dr Sherbon: We do have that comparison.

Mr Corbell: We can provide that. Dr Sherbon advises me, Mr Smyth, that the change in the number of cost-weighted separations is mostly driven by a shift from patients no longer being treated as inpatients and now as outpatients in medical oncology, so you will see a commensurate increase in the occasions of outpatient service as a result of this shift of classification of medical oncology patients as outpatients instead of inpatients.

MR SMYTH: That's interesting, because the number of outpatient services also went down. They went down from 242,000 last financial year to a target of 235,000 this year, so does that mean we are providing fewer services across the board?

Dr Sherbon: No. The information is that Canberra Hospital's outpatient attendances are up by nearly nine per cent.

MRS DUNNE: Why is it not reflected in the figures?

Mr Corbell: We would need to give you a summary of those figures that explains the break-up. We are happy to do that.

MR SMYTH: If we could have that, that would be kind. Minister, you claim that we were doing more surgeries for the last six or seven months, depending on what your final number is; I think you have taken that on notice in the Assembly to clarify. If we are doing fewer cost-weighted separations in both inpatients and outpatients, yet your claim is that we are doing more elective surgery, what other areas are therefore suffering or what other services are not being provided or are being wound back?

Mr Corbell: My understanding is we are doing more complex surgery.

MR SMYTH: In what regard?

MRS DUNNE: So you have more cost-weighted separations?

MR SMYTH: As elective surgery or more complex surgery as inpatients or outpatients?

Mr Corbell: In elective surgery.

MR SMYTH: More complex surgeries? So, in terms of cost-weighted separations, are we doing more surgeries in elective surgery?

Mr Corbell: The answer to that is yes.

MR SMYTH: Can we get the numbers on that, the breakdown of that?

Mr Corbell: Yes. We can provide that.

MR SMYTH: If, as you state, we are doing more surgeries and we are doing more cost-weighted separations in the surgeries, in elective surgery, and according to the figures I have the average number of people going down on the list is still less than when we were last in government—

Mr Corbell: Sorry, what do you mean by that—the average number of people going down on the list?

MR SMYTH: The average number of people added to the list. You are actually adding fewer people to the list per year, per month, than back in 2000. How can the list be going up?

Mr Corbell: No, that is not accurate.

MR SMYTH: The average number of patients listed for the last four years is 870 in 2001, 873 in 2002, 882 in 2003 and 895 in 2004. The average under Labor is only 878 per month added. Under the Liberals it was 913. So we are actually adding per month fewer patients to the list but there are more going up.

Mr Corbell: I don't know what data you are referring to.

MR SMYTH: It's the data you provide, minister.

Mr Corbell: Which data, Mr Smyth?

MR SMYTH: It's the average breakdown from the waiting lists that we tabulate.

Mr Corbell: Could you tell me which data, which document, you are referring to, please, Mr Smyth?

MS MacDONALD: What is that that you are referring to? We don't have access to that, Mr Smyth.

MR SMYTH: Yes, you do, Ms MacDonald, if you did the work and added up the lists like we have.

MS MacDONALD: You have not referred to what it is. What is it that you are referring to?

MR SMYTH: It's the waiting list numbers that come from both the Canberra Hospital and Calvary Hospital that are tabled in the Assembly each month for you to peruse. I actually read them.

Mr Corbell: Mr Chairman, if Mr Smyth can identify for me which government document and which page he is referring to, I am happy to provide him with advice on the detail behind those figures.

THE CHAIR: Do you have the source government document, Mr Smyth?

MR SMYTH: It's the monthly numbers from both Calvary and Canberra hospitals for the last four years.

Mr Corbell: It would seem to me that Mr Smyth is referring to his own compilation of those numbers and his own analysis—

MR SMYTH: It's the compilation for the last four years.

Mr Corbell: If Mr Smyth can tell me which specific elements of the document he is referring to and which numbers in that document he is referring to, I am very happy to provide advice to him.

MR SMYTH: On the final page of each of those documents there is a summary of the monthly statistics that you issue.

THE CHAIR: Are the figures that are presented in the Assembly each month not at your disposal, minister?

Mr Corbell: I don't have that data to hand. Elective surgery is not being dealt with in this second appropriation.

MR SMYTH: The nurses and the doctors that provide it are, and at page 60 you have revised figures—

Mr Corbell: That's a decision for the chair, I guess. I am quite happy to answer the question as best I can today but I do not have that detail in front of me right now. If you would like to put on notice, Mr Smyth, through the committee, which specific issues you believe are anomalies, I am very happy to provide you with advice on that.

THE CHAIR: Minister, you have the option of taking this on notice if you wish or you can respond.

Mr Corbell: That's what I am indicating. I am indicating—

MR SMYTH: If the minister wants to take it on notice, that's fine.

Mr Corbell: I am indicating, Mr Chairman, that if Mr Smyth wants to put on notice his specific questions, where he believes anomalies exist, I am happy to answer those questions.

MR SMYTH: I will put them on notice. On page 60 there are targets for everything else except the category 1 to 5s, which have been removed; they are just dashes. My last question: is there any reason that they have been reduced to a dash?

Mr Corbell: Yes, there is a reason for that. The Auditor-General, as you are probably aware, identified that in her view she could not adequately audit those figures because of the way records were kept.

MR SMYTH: Sorry, minister, that is the 2003-04 column. It says “not independently verifiable”. I’m asking about the 2004-05 revised targets.

Mr Corbell: Yes. I am explaining this to you, Mr Smyth. Because the Auditor-General has indicated that they cannot be independently verified, the department and the government have decided that we cannot continue to use them in that form. Instead, we will report on this in the annual report. The reason for that is that the auditor requires that, as soon as someone is seen, at that time the data must be taken on when that person was seen in the emergency department. From a straight service delivery point of view, that is not what we are going to ask our nurses and doctors to do—to record, the moment they see someone, when they saw them. They will come back afterwards and report that, once they have dealt with the person to a point whether they are satisfied they do not need their immediate attention. The department has had conversations with the auditor and with Treasury on this matter and, not wanting to again attract the same comment from the Auditor-General, it has been removed from that output and will instead be reported on in the annual report, where the same requirements will not be a problem.

MR SMYTH: Why won’t they be a problem in the annual report?

Mr Corbell: I am not quite clear on that, but Dr Sherbon can answer that.

Dr Sherbon: The issue relates to whether they are contained within the financial statements, which is the table that you are looking at. The Auditor-General has made it clear that, if they are to be included in the financial statements, they are subject to the full audit controls that she feels are necessary. If they are reported in the annual report as an item of interest, rather than as part of the financial statements, her indication is that they won’t be subject to the same stringent paper-based audit requirement that the minister just outlined, which is impractical in a second-by-second, minute-by-minute environment such as the emergency department.

MR SMYTH: Does that mean they will disappear from the quarterly reports as well?

Mr Corbell: That’s correct.

MR SMYTH: So it is because of what the auditor has done—nothing about the actual decline in the percentages that you are achieving?

Mr Corbell: We are actually improving in a range of our categories in the emergency department. But your question is: are we doing that because we are unhappy with the figures? No, we are not. We are doing it because the auditor has said they cannot be independently verified, and we see little point in continuing to put them in that form. We still will continue to report on them in another form instead.

MR SMYTH: So everything the auditor cannot verify will not be appearing in quarterly statements from now on?

Mr Corbell: The auditor makes adverse comment on things that she is unhappy with. This was one thing that she commented on. We deal with those things on a case-by-case basis, so I do not think you can make that sweeping assertion. But in this instance it has

been determined that this is the most appropriate way of managing the comment from the auditor.

MRS DUNNE: Just to follow up on that: Dr Sherbon, you said you had had discussions with the Auditor-General about how you might address her concerns about it not being verifiable. What were the steps that the auditor required that you thought were too onerous for accident and emergency?

Dr Sherbon: The options that we discussed with the Auditor-General were threefold, really. One was to resort to a paper-based system where, as the minister described, you essentially need a clerk to trail every doctor or nurse to record the time that they performed every intervention on a patient. It is easy to record the time a patient arrives: they walk in or are wheeled in through an ambulance and they are recorded. But the other parameters to this measure are time seen by doctor, time seen by nurse, time seen by triage nurse, time left ward. Those subsequent times are recorded at the moment retrospectively. What happens is that the doctor or nurse will go to the electronic system and then retrospectively record the time that they saw the patient. Clearly, they have been attending to that patient, which is the highest priority, and then 20 minutes later when they have finished that intervention they go and record the time.

The Auditor-General said that we could do all that on paper and have people trailing each other, recording times—that's obviously impractical. Secondly, we could go to a full electronic system with barcodes whereby people essentially clock in on the barcode as soon as they see a patient. That is costed at over \$1million, as far as we understand; it is a very heavy intervention for what is simply a compliance outcome, with no benefit to patients. Thirdly, we could report the data through a different part of the annual report, a different page. It was a bit of a no-brainer for me to advise the minister that the third option was by far the most practical. We still have the information, it is still subject to public scrutiny and we are happy to continue providing it. As the minister said, the recent data at TCH shows that we have complied with three out of five waiting time criteria.

MR SMYTH: Could I just follow up on that last bit. Obviously, other states and territories have tracking systems as well; it is often reported on by the Productivity Commission. Does that mean we will not be supplying this data to the Productivity Commission?

Mr Corbell: No.

MR SMYTH: No, we won't, or no?

Mr Corbell: No, it doesn't mean that.

MR SMYTH: It doesn't mean that. Okay.

THE CHAIR: I think we will call it a halt at this point and conclude these hearings. I thank the minister, Dr Sherbon and your other officials, and members of the committee.

Mr Corbell: Mr Chairman, I wish to correct one other thing. I said that the Council for Safety and Quality in Health Care was a statutory body. It is not; it's a body established under the health ministers council but it is not a statutory body.

THE CHAIR: Thank you for putting that on the record. We will resume at approximately 3 o'clock with the Attorney-General.

Meeting adjourned from 2.31 to 3.10 pm.

Appearances:

Mr Jon Stanhope, Chief Minister, Attorney-General, Minister for the Environment and Minister for Arts, Heritage and Indigenous Affairs

Department of Justice and Community Safety

Mr Tim Keady, Chief Executive

Mr Brett Phillips, Executive Director, Policy and Regulation Division

Mr John Leahy, ACT Parliamentary Counsel

Mrs Lana Junakovic, Acting Executive Director

Mr Peter Garrisson, Chief Solicitor, Government Solicitor's Office

Mr James Ryan, Executive Director, ACT Corrective Services

ACT Law Courts and Tribunals Administration

Mr Bruce Kelly, Courts Administrator

Ms Robyn Holder, Victims of Crime Coordinator

Department of Treasury

Mr Phil Hextell, Director, Accounting Branch

Chief Minister's Department

Mr Rob Gadsdon, Manager Finance, Public Sector Management and Industrial Relations

Director of Public Prosecutions

Mr Richard Refshauge

Public Trustee for the ACT

Mr Andrew Taylor

ACT Discrimination Commissioner

Dr Helen Watchirs

Registrar General

Mr Michael Ockwell

Community Advocate

Ms Heather McGregor

THE CHAIR: We will now commence proceedings. Just before we commence formally, I must say that for those who give verbal evidence to the committee today, a copy of the transcript will be emailed to them as soon as it is available for correction, and also so that they might identify questions that are taken on notice. Please return responses to questions on notice to the committee secretary within five working days of receiving the transcript. To assist in the preparation of the transcript, witnesses need to state their full name and the capacity in which they are appearing on the first occasion that they give evidence.

Prior to the giving of evidence I would like to inform each witness that you should understand that these hearings are legal proceedings of the Legislative Assembly, protected by parliamentary privilege. That gives you certain protections but also certain responsibilities. It means that you are protected from certain legal action, such as being sued for defamation for what you say at this public hearing. It also means that you have a responsibility to tell the committee the truth. Giving false or misleading evidence will be treated by the Assembly as a serious matter. I welcome the Attorney-General and the officers and officials of the department. Attorney, would you like to make any opening remarks in relation to this appropriation bill before we take questions?

Mr Stanhope: No, other than to say that the department of justice is very happy to assist the committee in its deliberations around the second appropriation bill. Officers of the department are here to answer your questions and stand ready to respond to any query you have on any aspect of the second appropriation bill.

THE CHAIR: Thank you very much. I have a couple of questions in relation to the Eastman case but, first, I have some questions in relation to the Community Advocate. I would like to put on record an acknowledgment, I think from a number of members, of the excellent service that has been provided to the territory. Additional funds of about \$153,000 have been requested. Would it be reasonable to assume that this represents one or two people?

Ms McGregor: Yes, the amount does in fact represent about two staff in my office. It means that the base funding of the Office of the Community Advocate has been restored, and that means that we can continue to employ a staff of 12 people.

THE CHAIR: Is that all the staff that you asked for, or was there a request for more?

Ms McGregor: Yes.

THE CHAIR: That is adequate? I gather the funds do not increase across the forward years. I refer to page 113. Is there a reason that that would be the case?

Mr Stanhope: Sorry?

THE CHAIR: The funds do not seem to increase the forward funds. There is an amount of \$153,000 every year, right through to 2008. It seems a little bit odd.

Mr Stanhope: Mr Hextell will explain why it's crafted in the way it is.

Mr Hextell: The funding is flat. In any EBA negotiations, any funding for increases in EBAs is usually separately addressed. So any additional funding for EBA increases would be separately funded as part of a separate bid, often as a separate part of the second appropriation each year. As this funding is mainly staff related, any increases to wage levels would be separately addressed through EBA funding approvals.

THE CHAIR: As a supplementary level of funding?

Mr Hextell: Yes.

THE CHAIR: I think that has covered the issues I had. Thanks, Ms McGregor, and thank you for everything you have done for the ACT.

Ms McGregor: Thank you.

THE CHAIR: Attorney, if I could go back to the Eastman case, are you in a position to provide the committee with the estimates of what this case has cost the ACT to date?

Mr Stanhope: I will ask Mr Hextell to respond to that, or Mr Keady might assist me, insofar as your question would involve perhaps a number of agencies and responses—for

instance, from the DPP and the courts, as well as the department. I am more than happy to invite the DPP and the representatives of the courts to assist in discussion on issues around the costing.

THE CHAIR: I haven't got too much. I just want to get an idea of what the total impact is.

Mr Stanhope: Just in terms of estimates.

Mr Keady: The Eastman case has been going for a number of years. We hope, finally, to have it determined, depending on the report of Justice Miles, which we hope to receive before the end of June. Depending on what he recommends to the government, that may bring it to an end. When you ask how much this case has cost us, if you mean since inception, that could include the costs of his trial, the various appeals, and most recently this allocation, which relates to the inquiry into his conviction being conducted by Justice Miles. If we were to go back to the beginning, we would be talking about many millions. There have been times in the past where calculations have been done for estimates and figures put on the public record about how much the Eastman proceedings had cost to that time. Perhaps you could be a bit more precise about the costing figures.

Mr Stanhope: Do you mean since the beginning of the coronial inquest? Are you talking about the application in relation to fitness to plead?

THE CHAIR: Yes.

Mr Stanhope: I do not know whether Mr Refshauge could determine his costs.

Mr Refshauge: That is the very cost we cannot determine, because we do not keep costs on a basis that would allow us to identify, for instance, how much of my time was spent, or how much of a particular officer's time was spent. I can tell you that, so far as counsel are concerned for the various inquiries, court proceedings and so on, when my office has retained—or, more latterly, when Mr Garrison's office retained—Mr Buchanan, we managed the finances. For that period of time, a total of \$221,432 was paid for counsel's fees.

THE CHAIR: That is only part of the equation, I guess.

Mr Refshauge: Of course.

THE CHAIR: Is that data available, attorney? I do not expect people to spend an enormous amount of resources trying to tabulate all this, but would that be generally available with some limited inquiry?

Mr Stanhope: It would certainly be generally available. For instance, I note that, in relation to this second appropriation, we are seeking to appropriate \$1.136 million. I believe that in the last budget there was a global figure which was also in excess of \$1 million, from memory. I will take advice on that.

Mr Refshauge: We can certainly give that kind of information.

Mr Keady: We will have to amalgamate the figures. The costs are spread across three separate areas—the DDP’s office, the Government Solicitor’s Office and the courts—but we can amalgamate the figures and get them for you.

THE CHAIR: I think that, if the figures were available under reasonable circumstances, that would be useful as a matter of public interest.

Mr Stanhope: It is some millions of dollars, of course.

Mr Refshauge: Certainly, but can I say that the figures that we would provide would not be the total cost. As I say, there would not be costs such as my time, which would not have been included in the equation. Where we have been able to isolate, for instance, a full or identifiable part-time person within the office who is working solely on that case, then that is included in the estimates and the total costs.

THE CHAIR: Chief Justice Miles’s report is expected around June, you believe.

Mr Keady: Every time we attempt to predict an end date for this, we are wrong. We have been through the evidence-gathering phase, which was presided over by Special Magistrate Cavanagh. Justice Miles has handed down a timetable for submissions, and we believe there is going to be a further hearing of oral submissions before he prepares his report to the executive. We are hoping that that will be available to the executive before 30 June but, given the history of this case to date, I cannot be too confident about what may be ahead of us.

THE CHAIR: That’s all I have on that matter.

DR FOSKEY: I have only one question to ask of any of the people here, and it is one that I am asking of all the people for the appropriation bill. Given the increase in wage costs due to increases in salaries, will there be commensurate increases to NGO-funded services to provide a wage equity for people working in the community legal sector in the next budget?

Mr Stanhope: I cannot respond to that at this stage. Cabinet has begun its deliberations in relation to the next budget but no decisions have yet been made. I have previously indicated that it will be a relatively tight budget. The government has certain priorities and support of the community sector is one of those priorities. We certainly are sympathetic to the needs of the community sector. We are willing and will strive to meet the issues they face, particularly in relation to wages and support. I can give no undertakings at this stage on any decision cabinet might or might not take in relation to the upcoming budget.

MS MacDONALD: I am specifically interested in what the reducing property crime project involves. Can you give us a bit of information about the reducing property crime program and what it is?

Mr Ryan: There were three components of the bid. The first was to fund the upgraded classification of the case managers involved in managing the cases of those who are being put through the program—and that has happened. That was as a result of an external consultant’s view of the work value of what those case managers do. The second

component is to provide supported accommodation for selected offenders so that they can, firstly, be in suitable accommodation and, secondly, be guided through their programs. The programs will be those addressing their offending behaviour, and drug and alcohol programs. The supervision provided is of a much more intensive nature than they would normally get if they were not on the intensive supervision program. Those are the three components.

MS MacDONALD: Approximately what sorts of numbers are we talking about?

Mr Ryan: We are talking about up to 20.

MS MacDONALD: I see that you were originally going to fund it from internal savings, but there was a cost overrun with too many prisoners interstate.

Mr Ryan: We have made a start, in that all the planning is done and the programs are in place. We know what to do and we have a validation process ready for it. We have yet to secure a house, which will be coming along soon. In due course, we will have two houses for this program. We are still going through the recruitment process. We held back until we were quite sure—or had a greater certainty with respect to where the funding was coming from.

MS MacDONALD: You will presumably, once the program gets under way, evaluate its success or otherwise.

Mr Ryan: Yes.

MS MacDONALD: And evaluate whether it is working by a reduction in the number of people coming back into the correctional system?

Mr Ryan: Yes, that is correct. That is part of it.

MS MacDONALD: Good luck with it—it sounds like a good program.

Mr Stanhope: This is a great program. It is the sort of funding that governments always find too hard to deliver. I have to say we had hoped to fund it internally. It would have been easy to let it drop when the efficiencies that we perhaps expected were not realised. It is, I think, constantly this sort of program that governments always put to the side. It is about genuine rehabilitation, it is about attempting to break the cycles that are part and parcel particularly of recidivist crime in relation to the offenders we can identify.

It is a sad fact that I believe the police and prosecution services can probably name the 50 or 60 criminals who produce a significant proportion of the crime within our territory—they are known by name. This is essentially an attempt at case-managing the rehabilitation of recidivist offenders—trying to deal with some of the issues that have led them into a life of crime, which they have had difficulty breaking free from. So this is innovative work; it is the sort of program one would like to see more of. I have great hopes for it and I am hoping, of course, that we can continue to fund it.

MS MacDONALD: I might have missed this in your answer, Mr Ryan. Was there an element of training involved of the people who will go into this program?

Mr Ryan: Are you talking about the staff or the clients?

MS MacDONALD: The clients.

Mr Ryan: No, not training, but programs to address their offending behaviour. They will be assisted through the intensive support they get, though, with things like getting jobs.

MS MacDONALD: Presumably that would include aiming them in the direction of training or retraining, if that is what they want.

Mr Ryan: They will get advice on that, although we will not be providing the training.

MS MacDONALD: I would not expect you to.

Mr Ryan: We will be doing that for those who are incarcerated in the new prison, though.

DR FOSKEY: Is this an interim measure before the opening of the new prison?

Mr Ryan: This is about on parole, or on either community-based orders or a recognisance of some kind, being reintegrated into the community. That is the sort of group we are talking about. In particular, we are targeting property offenders.

DR FOSKEY: All those people stealing cars and things.

Mr Ryan: We do it intensively and give them tailor-made programs. The intensive supervision is the biggest part of it—and some sort of stability with respect to accommodation.

DR FOSKEY: It sounds good.

THE CHAIR: This is a little bit outside the appropriation, but there is so much urban myth about how stolen goods are disposed of. Has there been any real success in addressing that side of it—people actually getting this material and then selling it back into the community?

Mr Keady: I think it is probably a question you would need to direct to the police. Anecdotally, there are so many avenues. There are professional avenues. In fact, in the area of the sale of illicit drugs, many dealers are also receivers. So there are numerous means by which stolen goods are passed on. It is interesting that some interstate research indicates a lot of it is actually passed back through families. There is the usual story about the man in the park. There are both professional avenues and less professional avenues. I know that the police target those areas but with varying degrees of success.

Mr Stanhope: The police would be able to assist with it, I think. The evidence-based policing, which is a feature of their work of course, focuses very much on, I think, issues around the cycle of criminality, just as the work that we are addressing here does. I remember, from a reasonably aged briefing that I received—I think it was well over a year ago—a discussion. I forget the numbers exactly, but at the time of the briefing,

which might have been 18 months ago, ACT police believed that something in the order of 90 per cent of burglaries in the ACT were committed by fewer than 100 people and that the actual burglar population is not as extensive as one might think. When one looks at the number of burglaries, it is quite a small cohort that commits the vast majority of burglaries in the territory.

THE CHAIR: And most are drug related, I hear anecdotally. I assume that is pretty accurate.

Mr Stanhope: Most certainly, yes. The majority.

THE CHAIR: Just a minor matter on the issue of prisoners: I noticed here you referred to a comment, under the reducing property crime item, that there is an increased number of ACT prisoners now held in New South Wales correctional facilities. Further on there is provision for an increase of around \$136,000, which does not seem a lot. Is there any comment you can offer on that? Is there is a reason for the increase that you can identify or is it just one of those events? The moneys there do not seem to be that significant.

Mr Ryan: As was mentioned earlier, at the outset we intended to get a rather larger amount from the prisoner payment to help fund the reducing property crime program. That has not been possible because of the increase in numbers in New South Wales. We had planned to have an average over the year or had hoped to have an average over the year of 117. In the first quarter it went up to 120, 121. There is a prospect it could go higher. These figures are very imprecise, though, and depend a lot on what goes through the courts.

The \$136,000 is the difference between what was originally given for prisoner payment—the complete amount without taking anything away—for reducing property crime, plus an extra small amount of \$136,000 to make up the difference. Whether, by the end of this financial year, \$136,000 is the right amount is pretty hard to guess, but we think that is as close as we know right now.

THE CHAIR: Not ambit; it is reasonably accurate. That's good.

Mr Stanhope: I have never, ever had an ambit bid from corrections. I cannot say the same for the rest of the department, Mr Chair.

THE CHAIR: Good to hear it. We had some cuts elsewhere. Any more on that topic from members of the committee? Attorney, I would like to ask a couple of questions about the coronial inquest, if I may. There are several questions here. Most of them relate to cost issues. I am wondering if you could give us an update on what the latest figure is on the amount spent on the coronial inquest into the 2003 bushfires. A supplementary part, which probably makes it easier, is: what are your estimates of the likely cost to the conclusion of the coronial inquest? Do you need other witnesses at the table?

Mr Stanhope: I certainly do. Mr Hextell might be best able to assist, Mr Chair. I am afraid I have not received a briefing. In that sense, I think I responded to a question asked within the Assembly and I am not sure that there is any additional information to provide over and above that which I provided a month or so ago. But Mr Hextell will be able to assist you.

Mr Hextell: The latest information we have for the coronial inquest costs—this is from 2002-03 to the end of February—is a total of \$7,761,000.

THE CHAIR: Did I hear the date 28 February?

Mr Hextell: To the end of February.

THE CHAIR: It is a little more up to date than the figures—

Mr Stanhope: It's a month. That is an addition, a further month.

THE CHAIR: What is your estimate of the likely cost of the actual inquest, though, to completion?

MS MacDONALD: How long is a piece of string?

THE CHAIR: I am not talking about all the other litigation as well, but we will get to that.

Mr Keady: I think the difficulty is that it is very much based on hearing days, because really the fees and the more expensive items are based on the hearing days and counsel assisting. We just do not know, particularly this financial year, how many hearing days we are likely to encounter. For example, just in the current proceedings, obviously the Supreme Court will be sitting for two days next week to hear argument. It is likely to adjourn further. Whether we will see the resumption, before the end of the financial year, of the inquest, in whatever form, seems unlikely at this point, but it will occur next financial year. But it depends on how many days it actually sits. So we cannot really give you an estimate.

THE CHAIR: You have got an open cheque book view at the moment; you have not come up with a figure about which you say, "We think this is about where it will be" or "Under this scenario this is what it will cost"?

Mr Keady: No, we haven't. Any estimate we attempted to derive would be based on assumptions which I think we would have great difficulty making.

THE CHAIR: Even before the legal issues arose more recently, you did not have a forward figure of what the whole exercise would cost?

Mr Keady: No. Putting aside, as I said, the current issues, the inquest went longer than we expected; it was going longer than we expected.

THE CHAIR: If you had an expectation you would have had an estimation, wouldn't you, or don't you do things that way?

Mr Keady: The estimation is the sum total of the wisdom of those who are appearing.

THE CHAIR: That's what accountants are about.

Mr Keady: And their estimates fell short of where it was heading before it was interrupted by the Supreme Court proceedings.

THE CHAIR: All right, but not in dollar form?

Mr Stanhope: No. I would have to say, just to add to that, Mr Chair, I have never asked—for myself in relation to additional appropriations being sought in relation to both the coronial inquest and the Eastman inquiry; perhaps it is a feature of the nature of litigation or actions within the courts or the pursuit of justice—and have not actually in the past had the habit, even when presented with a budget bid of the sort that was presented to me in relation to both of these matters, the coronial inquest or the Eastman inquiry, of saying, “Well, this is it. Here’s another \$1.136 million for the Eastman inquiry and another \$1.086 million for the coronial inquest.”

There is, to some extent, no capacity for the government to anticipate an end result. It is simply not possible. Having regard to the separation of powers and the fact that these issues are managed by judicial officers, essentially it is impossible for us. We could make a best estimate or a guesstimate, but what does that achieve?

THE CHAIR: The only thing it would achieve, attorney, is this: it just seems a little curious as to how they actually manage their budget. I understand, in the private sector, as an advocate, you get involved in litigation.

Mr Stanhope: Almost in the blind faith that the government will actually meet the costs.

THE CHAIR: I have faith the government has the capacity.

Mr Stanhope: And I have blind faith in the DPP, the courts and the ACT Government Solicitor that they will professionally manage their responsibilities and ensure that they manage their responsibilities in a way that is as cost effective as possible.

THE CHAIR: I have no doubt they will be professional. I am just wondering how you actually build this into your costings and your department’s budget, if you have no idea and do not even attempt to estimate the cost.

MS MacDONALD: Welcome to the uncertain world of government, Mr Chair.

THE CHAIR: Life is uncertain, but we try to work with budgets. That’s the whole point of the budgetary process.

Mr Hextell: The Financial Management Act has mechanism built in to enable these sorts of unforeseen costs to be met outside of the immediate appropriated costs.

THE CHAIR: That’s obviously unforeseen. The same assumes that you have thought one thing was going to happen and then something else has come along. That is why I asked what the estimate was. Can you give us an indication of how much the government has spent—these latest figures—on the appeal by the ACT government against the coroner?

Mr Stanhope: I will defer to Mr Hextell.

Mr Hextell: I understand there was an answer to a question on notice provided for amounts up to 31 January. We have not updated the amount since then. There would only be one extra month of costs in there, but they are the latest costs that we have—the 31 January figures.

MS MacDONALD: Who was the question on notice from?

THE CHAIR: From me. And the same, I assume therefore, would apply to the costs of the appeal by the nine ACT government employees. Is 31 January the most current information?

Mr Hextell: Correct.

THE CHAIR: I will ask you again, notwithstanding your philosophy or practice on estimates: do we have any estimate of the costs of the appeal against the coroner by either the ACT government or the nine ACT government employees?

Mr Keady: No, we do not, because it depends on the number of hearing days. The court initially set down two hearing days for the matter. We had hoped the matter would be completed then. It wasn't. The court itself raised an issue which now has to be addressed. There will be argument next week. We expect the matter to be adjourned for further argument. Depending on the number of hearing days that are required until the court is able to make a decision, again that's, I suppose, an example of the volatility in it. And costs are very much related to hearing dates.

THE CHAIR: I understand that. I think under the law society practices in the ACT—and the attorney's a lawyer; I'm not—from my experience, you have an estimate of the worst case scenario and the best case scenario. Solicitors, in this city certainly, normally would give you estimates. In terms of government litigation, you do not engage in any guesstimate of what it is going to cost; it is just full steam ahead.

Mr Keady: Normally estimates in any of these kinds of things were based on the number of days and the preparation for a hearing. We expected the number of days to be, in sum total, two. Now we have had two days.

THE CHAIR: Two for the appeal and the outcome.

Mr Keady: Two for the appeal.

Mr Stanhope: Was it two days or three days?

Mr Keady: Three, I'm sorry.

Mr Stanhope: Three.

THE CHAIR: That's the actual days before the court?

Mr Stanhope: That is what we expected.

Mr Keady: That's right.

THE CHAIR: But that's not counting preparation?

Mr Stanhope: No.

Mr Keady: No. Preparation would be in addition. We have had three days argument before the court. We have had a further directions hearing. We will have two days next week and it will be adjourned again. If you had asked this question before those first two days, I would have given the estimate based on two days. At the moment, I do not know how many days the hearing has yet to take.

THE CHAIR: There are a couple of other questions. Given the way this is obviously extending beyond what you had thought—although you haven't estimated, you have ideas of what time it will take and therefore the cost—do you expect you will have to curtail any of your other programs as a consequence of these costs?

Mr Keady: No. This is a matter rather similar in character to the Eastman proceedings which we have been managing now for some years. They have been effectively financed as special proceedings and, therefore, the cost of management has not impinged on other departmental activity.

THE CHAIR: Could you just explain to me, attorney, in terms of the expenditure on the coronial inquiry and the appeal costs—and it has been indicated that it is covered by the government's insurance cover—exactly what the type of insurance cover is?

Mr Stanhope: That's a question for our insurance provider, who resides in Treasury. I can't explain it to you. I am happy to take that on notice as a question for me as the attorney and provide information to you. I do not know whether you are meeting separately with the Treasurer.

MS MacDONALD: We met with the Treasurer last week.

THE CHAIR: Yes. We met last week. I think it was Thursday.

Mr Stanhope: That was a question that would have been better there. I am Acting Treasurer at the moment. I am happy to take it as Acting Treasurer now. But I can't answer the question. I would have to take advice from—

MS MacDONALD: Sorry, what was the question? I missed it.

Mr Stanhope: Just the nature of our insurance arrangements.

THE CHAIR: The nature of this insurance cover for the legal fees and how it works.

Mr Stanhope: I will get written advice for the committee on the form and nature of the ACT's insurance coverage as it applies to the coronial inquest.

THE CHAIR: And probably the related part, if you could take this on board, is: what do you estimate the impact will be, then, on premiums as a result of this obviously not

insignificant claim on that policy?

Mr Stanhope: Sure.

THE CHAIR: That covers those issues. Dr Foskey, do you have any more questions for the attorney?

DR FOSKEY: No more questions, Mr Chair.

THE CHAIR: Ms MacDonald, did you say you have finished your questions? Thanks, attorney, and thank you to your officers who attended for their cooperation. Sorry to tie you up on a Friday afternoon, but we are all under pretty tight schedules these days. Thank you for your participation.

Mr Stanhope: Thank you, Mr Chair.

THE CHAIR: I declare this meeting closed.

The committee adjourned at 3.42 pm.